

**Mammoth Lakes Foundation
Executive Committee Meeting
Wednesday, June 27, 2018
Mammoth Lakes Foundation Executive Directors Office
100 College Parkway, Mammoth Lakes, California 93546**

www.mammothlakesfoundation.org

(4pm) Call the Meeting to Order – Board Chair Gary Myers

(4:01pm) Executive Committee Member

Gary McCoy - President	Gary Myers – Board Chair	Shields Richardson - Secretary
Luan Mendel - Treasurer	Bonnie Colgan - Member	Evan Russell – MLF CEO

(4:02am) Administrative Items

1. Approve any additions to the Agenda
2. (15 min) Review and consider approving the MLF Strategic Plan for FY18-19 (Att #1)
3. (15 min) Review and consider approving the budget for FY18-19 (Att #2)
4. (10 min) Review and consider approving a contract for a Capital Campaign Coach for the Performing Arts Centre Project. (Att #3)
5. (10 min) Review and consider approving a Board Governance Manual (Att #4)
6. (10 min) Approve a slate of Officers to the MLF Executive Committee for FY18-19 (Att #5)
7. (5 min) Review and consider approving a resolution to finalize the Partnership Agreement between Mammoth Lakes Foundation and the Southern Mono Healthcare District. (Att #6)
8. (5 min) Review and consider approving a Letter of Engagement with Amy Graham CPA for accounting services for FY18-19. (Att #7)
9. Old Business
10. New Business
 - Exec Com Donor Gratitude
11. Attachments:
 - MLF 18-19 Calendar of Events & Meetings
12. Adjourn to Closed Session
 - Personnel Matters

(5:15pm) Adjournment

To the next meeting of the MLF Executive Committee Meeting on September 25th at 4pm.

Supporting higher education and cultural enrichment in the Eastern Sierra

**Mammoth Lakes Foundation
Executive Committee
Agenda Action Sheet**

Executive Committee Meeting Date: June 27, 2018

Date Prepared: June 15, 2018

Prepared by: Rich Boccia; Executive Director
Mammoth Lakes Foundation

Title: 2018-2019 Strategic Plan

Recommended Motion:

It is recommended that the Mammoth Lakes Foundation Executive Committee review and consider approving the Mammoth Lakes Foundation Strategic Planning document for FY18-19.

Background Information:

The staff has consistently focused our Monday morning staff meetings on the seven strategic elements that are outlined in the Strategic Plan that was approved by the MLF Executive Committee on November 28, 2017.

The staff has reviewed and modified this document based on our work over this past fiscal year and have updated the language in the document to indicate achievement or lack thereof in some of these elements.

- In Progress means that we have not touched that element at this time
- On Going means that we have touched that element but it is need of on-going work
- Complete

We are recommending that the elements remain consistent over this next fiscal year with the seven main elements listed as follows and outlined in this document that is attached for your review.

1. Foundation Operations
2. Communication & Branding of the Foundation
3. Project Funding, Debt Service & Operating Reserves
4. Cerro Coso Community College Support
5. Arts & Culture Programs
6. South Gateway Planning & Land Uses
7. The South Gateway Apartments

The final page of the document outlines our “Vision for Success 2022” with June 2018 comments indicating the stage of the work.

It is recommended that the MLF Executive Committee approve this updated document that will be the foundation for our scope of work in FY18-19.

Funds Available: Varies

Account Number: Coding per Project

Our mission is to support higher education and cultural enrichment in the Eastern Sierra



**Mammoth Lakes Foundation
Strategic Plan
“Visions for Success 2022”
July 1, 2017 through June 30, 2022**

**“Strategy without tactics is the slowest route to victory.
Tactics without strategy is the noise before defeat”
- Sun Tzu, Ancient Chinese Strategist**

(I) Introductory Statement:

Strategic planning is an organizational management activity that is used to set priorities, focus energy and resources, strengthen operations, ensure that employees and other stakeholders are working toward common goals, establish agreement around the intended outcomes/results, and assess and adjust the organization’s direction in response to a changing environment. It is a disciplined effort that produces fundamental decisions and actions that shape and guide what an organization is, who it serves, what it does, and why it does it with a focus on the future. Effective strategic planning articulates not only where an organization is going and the actions needed to make progress, but also how it will know if it is successful.

(II) Background Statement:

The Mammoth Lakes Foundation was founded in 1989 by **Dave McCoy** and a few of his friends to be the catalyst in bringing higher education and the arts to the Eastern Sierra. At the time, local high school graduates and residents had few choices when it came to higher education.

Supporting Higher Education

It all started very humbly with a couple of instructors, a handful of students, a rented space in the Rite Aid Shopping Center strategically located next to the town pool hall. Cerro Coso Community College had been offering classes wherever they could find space, usually at the high school or in empty conference rooms.

Mammoth Lakes Foundation and a group of dedicated supporters secured a permanent building for the college and continue to support efforts to keep higher education an affordable option to those who wish to pursue it.

In 2014, 500 students enrolled between the Bishop and Mammoth branch campuses. Since 2003, when MLF started awarding scholarships to students, over 600 scholarships have been awarded for Mono County students enrolled full time. Support for an individual ranges from \$800 to \$1,000 each semester and covers tuition and books.

The Dean of the Eastern Sierra branch campuses, Dr. Deanna Campbell, continues to work tirelessly to expand degree and certificate programs every year. Students can earn an AA degree in a number of disciplines and have their credits fully transferred to a UC, Cal State, or to University of Nevada Reno.

With the cost of higher education a major barrier to many of the kids and families in the Eastern Sierra, Mono County residents can pursue two years of college right here at home and will receive a full scholarship from the Mammoth Lakes Foundation to help them realize their dreams.

Cultural Enrichment

In 2011, The Mammoth Lakes Foundation employed Shira Dubrovner as the Artistic Director for the **Mammoth Lakes Repertory Theatre**. Over these years she has produced a number of theatrical events that have been attended by well over 7000 people of all ages and abilities in the Edison Theater. Her success with the one hundred seat theatre has generated enthusiasm for the growth and development of a 298 seat Performing Arts Center on the Mammoth Lakes Foundation property which is projected to open during the winter of 2020.

The mission of Mammoth Lakes Repertory Theatre is to develop, maintain and nurture live theatre in the Mono/Inyo County area by providing a creative space to produce live theatre of the highest caliber, equal to any theatre in the state, and inspiring the arts while making a vital contribution to the community's economy, culture and spirit.

The vision is to produce live theatre that mirrors human nature with the intent to be insightful and enlighten the future by creating a theatre experience that not only engages but also educates, inspires, entertains, and provokes thought.

"With our professional quality theatre and our dedication to our area's youth, we are committed to the development and nurturing of a viable and vital Theatre company that both enhances and contributes to the community. Our theatre donors and patrons are the true architects of what we intend to be a long-lasting resource. By becoming a patron you will give a tribute to your family or business while simultaneously serving the community." says Dubrovner.

Dubrovner has also taken the lead with the **Mammoth Lakes Film Festival** that started in 2015 and is committed to screening new movies by inspired and innovative filmmakers. The Film Festival is a five-day festival that screens independent features and shorts in the spectacular setting of Mammoth Lakes – California's premier mountain resort, high in the Eastern Sierras each Memorial Day weekend.

The Mammoth Lakes Film Festival was named one of the "The Top 50 Festivals Worth the Entry Fee" by Movie Maker Magazine in 2016 & 2017. The Festival captures the imagination of audiences and contributes to the vitality of film culture by providing emerging filmmakers with an opportunity to show their latest work in a vibrant and nurturing atmosphere.

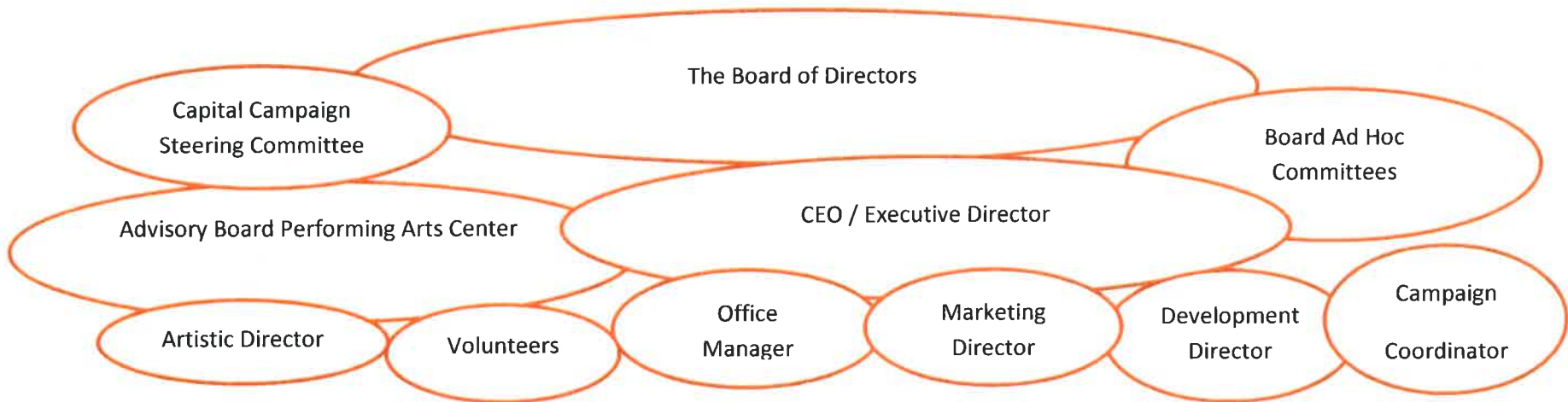
Visitors are drawn to the area to experience exciting new films by both new and established independent artists, and for the opportunity to mingle with them at fun and friendly daily events. The Festival is also a forum for filmmakers to have their work seen by industry professionals who have the potential to provide mentorship and propel their careers.

(III) Policy Board Model, Advisory Board Model & Staff

Mammoth Lakes Foundation is governed by a Board of Directors Policy Board Model in which the Board gives a high level of trust and confidence over to the CEO/Executive Director. The Policy Board has regular meetings with the CEO/Executive Director to get updates on the organization’s activities. Under this model there are a few standing committees. The Policy Board members have a demonstrated commitment to the organization and are willing to grow in the knowledge and abilities about the organization.

The Policy Board of Directors and the CEO/Executive Director also understand that we will need assistance with running the organization. The Advisory Board Model serves as the primary resource for the Policy Board and the CEO/Executive Director to request support for the programs and projects administered by the organization. Members of the Advisory Board are trusted advisors who offer professional skills and talent and have passion for the work of the organization. Advisory Board members typically have established expertise or credentials in the non-profit’s field. An organization that is visibly connected to an Advisory Board’s name can increase the organization’s credibility, fundraising efforts and public relations effort.

Mammoth Lakes Foundation Organizational Chart



(IV) Our Mission:

The Mammoth Lakes Foundation supports higher education and cultural enrichment in the Eastern Sierra.

(V) Our Vision:

Dave McCoy's vision to cultivate higher education and the arts in the Eastern Sierra is shared by many. Our goal is a permanent and expanded college campus and facilities for academic studies, appreciation of the arts, and to support institutional public housing in Mammoth Lakes.

The Mammoth Lakes Foundation and our supporters believe that availability of higher education and cultural enrichment in the Eastern Sierra enhances the quality of life enjoyed by residents, second homeowners and visitors. It balances the recreational attractions in the community with cultural and educational opportunities. Higher education promotes leadership, stimulates growth and builds a stronger year-round economy and community.

(VI) Core Values / Guiding Principles:

Core values demonstrate the essential, unchanging values of the organization. Core values should not only represent what the organization stands for, but should also guide each generation of leadership regarding how and where to lead the organization.

- a. **Integrity:** It is crucial that the Foundation remains beyond reproach. Not only must the Foundation pursue honorable initiatives, but it must conduct business in a way that is honest, transparent and ethical.
- b. **Empowerment:** The Foundation strives to fix larger systemic problems and to improve the quality of life for people that choose to live, work and play in our community.
- c. **Excellence:** Show the world that the Foundation is not only pursuing something important but that we are doing it well.
- d. **Community:** The Foundation will collaborate and build partnerships with other agencies in the community. An organization can accomplish more if it attempts to complement the existing resources available in the community rather than duplicate them.
- e. **Good Stewardship:** The Foundation will demonstrate that we are good stewards of the resources bequeathed to the organization.

(VII) Strategic Priorities:

Strategic objectives are ranked by their importance in achieving the strategic goals. All subsequent operational or tactical planning and resource allocation is based on strategic priorities. We have identified the following strategic priorities for the Foundation;

1. **Foundation Operations**
2. **Communication & Branding of the Foundation**
3. **Project Funding, Debt Service and Operating Reserves**
4. **Cerro Coso Community College Support**
5. **Arts & Culture Programs**
6. **South Gateway Planning and Land Uses**
7. **The South Gateway Student Apartments**

(VIII) Strategic Objectives (Systems Thinking is a holistic approach to analysis that focuses on the way that a system constituent parts interrelate and how systems work over time and within the context of larger systems.”

Strategy #1: Foundation Operations (On-Going 2018-2019)

- (Rating System: In Progress = Has not been touched / On-Going – Been touched and continues to need work / Complete)

	Objective	Tactic	People	Start Date	Stats	Evaluation
1a	Ensure that the Foundation retains its nonprofit status including the annual submission of our 990 form	Prepare and submit the required reports	MLF Executive Director	07.01.89	On-Going	Retention of nonprofit status
1b	Ensure that the bylaws are current	Conduct and annual review of the Corporate Bylaws and modify accordingly	MLF Executive Director		On-Going	Annual review by the MLF Executive Committee <ul style="list-style-type: none"> • 12.02.18
1c	Ensure that the foundation is compliant with all required state and federal laws	Annual reviews and updates of foundation policy and procedures	MLF Executive Director	07.01.17	On-Going	Number of complaints filed against the organization
1d	Ensure that the foundation has GAAP (Generally Accepted Accounting Principles) framework guidelines for financial accounting are established	Conduct an annual audit by an independent third party	MLF Executive Director		On-Going	As identified by the number of audit findings that need to be addressed on an annual basis <ul style="list-style-type: none"> • 02.24.18
1e	Ensure that the foundation has a five year strategic plan that has been adopted by the board	Create the strategic plan spanning the five year window from 2017 - 2022	MLF Executive Director, Board & MLF Staff		On-Going	The “Visions of Success 2022” document is adopted by the Board and updated on an annual basis. <ul style="list-style-type: none"> • 12.02.18 • 06.27.28

1f	Ensure that Guidestar and the Duns & Bradstreet web sites along with updating all non-profit web sites with accurate information	Update the these sites that specialize in reporting about non-profit services	MLF Office Manager	01.01.18	On Going	Annual reviews to ensure accuracy <ul style="list-style-type: none"> • 01.26.18
1g	Develop a Board Governance Plan that revitalizes the MLF Board of Directors	Work with the non-profit Board Stages of Development and a Governance Coach to rekindle the focus and energy of the board	MLF Executive Director, MLF Exec Com, Governance Coach and the MLF Board		On-Going	The Board adopts a Governance Handbook <ul style="list-style-type: none"> • 06.27.18

Strategy #2: Communication & Branding of the Foundation (On-Going 2018-2019)

	Objective	Tactic	People	Start Date	Completion Date	Evaluation
2a	Refine the message about MLF being the umbrella organization and the impact we have on the community – Branding 101	Create a communication plan and an implementation strategy	MLF Marketing Director	09.01.17	In Progress	Approval of the communication plan by the Board of Directors
2b	Update the MLF Webpage – our window to the world	Initial upgrade and monthly revisions to keep us current	MLF Marketing Director		On-Going	Launch the new web page by June 1, 2018 <ul style="list-style-type: none"> • 04.28.18
2c	Increase the number of visitors to our website	Ongoing and consistent updates to the Foundation webpage Need to establish baseline data to measure growth	MLF Staff	09.01.17	In Progress	Monthly reviews of the webpage to ensure that it has been updated including updating our photo library to keep the page current <ul style="list-style-type: none"> • Spring 2018 Audit

2d	Expand our social media following	Create fresh posts that will engage and increase our number of followers Need to establish base line data to measure growth	MLF Marketing Director	09.01.17	In Progress	Create baseline data to measure progress on a quarterly basis
2e	Expand the email lists for the Foundation	Review and clean up the database to create a baseline to measure growth Need to establish base line data to measure growth	MLF Marketing Director	07.01.18	In Progress	Create baseline data to measure progress on a quarterly basis
2e	Leverage the existing student college base	Develop social media strategies to attract out of the area students	MLF Marketing Director, CCCC Staff	01.01.18	In Progress	To identify the number of followers on our social media channels
2f	Create a monthly publication to share with our stakeholders about the work of the foundation	Develop and publish a monthly e-letter	MLF Marketing Director	01.01.18	On-Going	Through the number of e-letters that are distributed to our followers on a monthly basis <ul style="list-style-type: none"> • 02.01.18
2g	Create a campaign with all of the essential collateral to support the Performing Arts Center Capital Campaign	Work with the steering committee and a consultant to create and implement the campaign	MLF Marketing Director Campaign Coach Campaign Steering Committee Contract Services	05.14.18	In Progress	By the creation of the materials and the breath of the campaign First draft Case for Support <ul style="list-style-type: none"> • 06.11.18

Strategy #3: Project Funding, Debt Service and Operating Reserves (On Going 2018-2019)

	Objective	Tactic	People	Start Date	Completion Date	Evaluation
3a	Create a fund development strategy to support the operations of the organization	Review all of our membership levels, prospects for grants, campaigns, legacy giving, the campus acre program and assorted campaigns.	MLF Executive Director & MLF Staff	09.01.17	In Progress	<p>By identifying base level funding through memberships and to project a consistent stream of funding to support operations to accomplish the mission of the organization</p> <p>Hired a DoD</p> <ul style="list-style-type: none"> • 01.22.18 <p>First Draft Fund Development Strategy Frame</p> <ul style="list-style-type: none"> • 02.24.18 <p>Grant funded for DoD Salary</p> <ul style="list-style-type: none"> • 06.30.18
3b	Determine the annual funding gap which includes the operations of the facilities	Review of the last three annual budgets identifies the needs to raise \$30,000 a month to cover our base costs	MLF Executive Director, Board Treasurer & Accountant	07.01.17	On Going	<p>One page fiscal analysis of the past three years of funding to support the foundation from a variety of sources.</p> <ul style="list-style-type: none"> • 08.26.18

3c	Create and implement a capital campaign for the Performing Arts Center (PAC)	Attend the Institute for Charitable Giving Conference and secure the services of a Capital Campaign Coach	MLF Board & Staff	02.21.18	In Progress	<p>The successful implementation of a campaign that secures an additional \$5 mil for the PAC.</p> <p>Created Capital Campaign Steering Committee</p> <ul style="list-style-type: none"> • 05.14.18 <p>Reception with first cadre of Ambassadors</p> <ul style="list-style-type: none"> • 06.19.18
3c	Secure funding for the Performing Arts Theater from the Kern Community College District and the Town of Mammoth Lakes	Completion and approval of the funding agreements for one time capital and on-going support	MLF CEO, MLF Executive Director, MLF Exec Com	07.01.15	In Progress	Approval of these agreements by the appropriate governing agencies
3d	Identify the costs to support the upgrade of the Foundation Offices including the parking lot, the grounds, interior paint and floors, lighting and a new roof	Request bids from multiple sources for each item	MLF Executive Director	08.01.17	In Progress	The number of projects that are completed that improve the facility and build a sense of pride

Strategy #4: Cerro Coso Community College Support (On-Going 2018-2019)

	Objective	Tactic	People	Start Date	Completion Date	Evaluation
4a	Build relationships with the Kern Community and Cerro Coso College Districts	Schedule consistent meetings with the local staff, the district staff and the board president	MLF Executive Director	07.01.17	On Going	Measured by the quality of the meetings and the agreed upon accomplishments Scheduled monthly meetings with Dr. Campbell <ul style="list-style-type: none"> • 09.12.17
4b	Assist with Increasing and supporting the student base to maintain sustainability that provides equal access to higher education in the Mammoth community	Engage and support the recruitment efforts of the Cerro Coso staff by attending college fairs and identifying targeted student populations for recruitment	MLF Executive Director College Director	10.01.17	On Going	Use fall 2017 as a baseline for enrollment Dave’s Scholars Monthly Brunches <ul style="list-style-type: none"> • 09.29.17
4c	Support the development of new programs	Collaborate with the college staff to identify potential new programs in the area of sports and academics	MLF Executive Director College Director	01.01.18	In Progress	The number of new programs that the college adopts over a three year cycle
4d	Develop strategic partnerships with organizations that support higher education	Collaborate with the staff at Valentine Reserve and SNARL	MLF Executive Director, College Director and Valentine / SNARL Director			The number of programs and projects that are completed over a three year cycle

4e	Increase financial support for the students that are recipients of our scholarships	Identify new financial partners to support our mission	MLF Executive Director	08.01.17	On-Going \$45,000 gift from Ormat	Increased funding for “Dave’s Scholars” Ormat Grant for \$45,000 • 02.01.18
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Strategy #5: Arts & Culture Programs (On-Going 2018-2019)

	Objective	Tactic	People	Start Date	Completion Date	Evaluation
5a	Work with the local resident artists to create an Arts & Culture Strategy for the community	Reflect on the “Boston Creates” Cultural Plan as a base for the development of the Mammoth Strategy	MLF Executive Director, MLF Artistic Director and Resident Artists	11.01.17		The adoption of the strategy by the perspective governing boards
5b	Create a programming plan for the three performing arts facilities on the Foundation campus starting with the 2020 calendar year	Facilitate the development of programming for the 2020 calendar with the local resident artists and the college staff	MLF Executive Director, MLF Artistic Director, Resident Artists and College staff	01.01.18	In Progress Bill Blake Work – AMS Planning & Research	The adoption of the strategy by the perspective governing boards
5c	Support the Mammoth Film Festival as an element of our cultural offerings and the development of a business plan	Develop a strategy for the Festival that will allow it to be revenue neutral by year 5	MLF Executive Director, MLF Artistic Director	01.01.18		The development of a five year plan for growth The Festival has been operating at a deficit since its inception but has been closing that gap

5e	Continue to develop the Food & Wine Event to be a major revenue source and a signature community event necessary to strengthen the MLF brand	Engage the stakeholders in refreshing the event	MLF Executive Director, MLF staff and vendors	01.01.18	In Progress	Measured by the success of the Summer 2018 Event to include increasing awareness about the work of the Foundation, the number of participants and funds raised for programs
5f	Continue to support the Mammoth Lakes Repertory Theatre as an element of creating a thriving arts and culture community	Support the Artistic Director in capturing data related to the development of program	MLF Executive Director, MLF Artistic Director	07.01.17	On - Going	<p>Increase the number and variety of performances and the number of seats sold</p> <p>Seats sold increased from 75% to 81% over these past two years</p> <p>Track budget for each performance in FY18-19</p>
5g	Work closely with the Mono Arts Council to develop collaborative programs	Engage the Mono Arts Council in the development of an Mammoth branded Anderson Ranch Model and continue to support the growth and development of the Forest Island Residency Program	MLF Executive Director, Mono Arts Council Executive Director and the Forest Island Lead	08.01.17		The growth of the Forest Island Residency Program and the community impact measured by people involved with the project

Strategy #6: South Gateway Planning and Land Uses (On-Going 2018-2019)

	Objective	Tactic	People	Start Date	Completion Date	Evaluation
6a	Update the land use master plan	Contract with Design Works to engage the community stakeholders in the development of a master plan	MLF CEO	10.05.17	In Progress	Approval of the master plan by the MLF Board of Directors
6b	Plan, design, construct and open the Performing Arts Center as an element of the Mammoth Arts & Culture Center	Completion of the environmental reviews, the design review process, a capital campaign, construction and the scheduling of the opening day program	MLF CEO, MLF ED, TOML, Consultants	07.01.15	In Progress	The programming and opening of the building
6c	Collaborate with the Town of Mammoth Lakes to conduct the appropriate environmental reviews for the a variety of projects including the Performing Arts Theater, the National Wounded Warrior Center, and Housing on the open acres.	Submit the appropriate documents to the Planning Commission and the CEQA agreements to the Town.	MLF CEO, MLF Executive Director, Consultant & Architect	07.01.17	In Progress	Completion and approval of the environmental reviews <ul style="list-style-type: none"> • ADP 06.08.18
6d	Appoint an MLF representative to the Mammoth Housing Task Force	Actively participate in the Mammoth Housing Task Force	MLF Executive Director	07.01.17	Complete	By the acceptance of the Task Force Plan by the Town Council that outlines the request for a role in this process <ul style="list-style-type: none"> • 11.17.17
6e	Research opportunities to leverage the 20 acre Foundation parcel to support the sustainability of the Foundation	Quietly engage potential partners to explore options	MLF Executive Director & CEO	10.09.17	In Progress	By the MLF Exec Com approval of a plan for the acreage

Strategy #7: The South Gateway Apartments (Complete / On Going)

	Objective	Tactic	People	Start Date	Completion Date	Evaluation
7a	Collaborate with the Mammoth Lakes Hospital to sell the SGSA complex and the land that the building occupies.	The development of a draft agreement of the potential sale	Mammoth Hospital CEO MLF CEO	07.01.17	Complete	The sale of the parcel <ul style="list-style-type: none"> • 06.30.18
7b	Collaborate with the Town of Mammoth Lakes staff to make recommendations to the Planning Commission and the Town Council to support an amendment to the General Plan to enhance the Institutional Public	Participate in the creation of the amended General Plan language, the development of the agenda bill and the public presentation of the agenda item.	Mammoth Hospital CEO MLF CEO MLF Executive Director	07.01.17	Complete	The Town Council approved amendment language to the Town General Plan <ul style="list-style-type: none"> • 09.20.17
7c	Continue to recruit students to be housed in 50% of the units and provide them with some sense of community.	Refine the recruitment materials and create community building events	MLF LRC	07.01.17	On-Going	As evidenced by the ability to fill the allocated rooms to students

(XI) Evaluation: Visions of Success in 2022

- Maintain our status as a leader of nonprofits in our region
 - June 2018 = On Going
- Implementation of a comprehensive communication plan for the Foundation
 - June 2018 = In Progress
- Implementation of a robust fund development program that supports the mission of the organization and includes the Capital Campaign
 - June 2018 = On Going
- Active partnership with the Kern Community College District supporting the growth and development of the Cerro Coso College Campus
 - June 2018 = On Going
- Securing funding from the Kern Community College District and the Town of Mammoth Lakes for one time capital and on-going operations for the Performing Arts Center as an element of the Mammoth Arts and Culture Center
 - June 2018 = In Progress
- The Performing Arts Center has a full complement of programming for the community as an element of the Mammoth Arts and Culture Center
 - June 2018 = On Going

- Development of a Visual Arts Program similar to the Anderson Ranch Program
 - June 2018 = In Progress
- South Gateway Apartments support a variety of community stakeholders as aligned with the Institutional Public designation
 - June 2018 = Complete
- Approval of the Joint Partnership between MLF & the SMHD for the South Gateway Apartments
 - June 2018 = Complete
- Maximizing the Foundation property to support housing for the community
 - June 2018 = In Progress

“Supporting Higher Education and Cultural Enrichment in the Eastern Sierra”

Boccia 11.02.17

MLF Exec Com approval 11.28.17

MLF Board of Directors acceptance 12.02.17

MLF Exec Com approval 06.27.18

**Mammoth Lakes Foundation
Executive Committee
Agenda Action Sheet**

Executive Committee Meeting Date: June 27, 2018

Date Prepared: June 20, 2018

Prepared by: Rich Boccia; Executive Director
Mammoth Lakes Foundation

Title: Mammoth Lakes Foundation FY18-19 Budget

Recommended Motion:

It is recommended that the Mammoth Lakes Foundation Executive Committee review and consider approving the FY18-19 Mammoth Lakes Foundation Budget.

Budget Assumptions:

The Mammoth Lakes Foundation Finance Committee has built the FY18-19 Budget based on following assumptions.

1. The annual operating expenses for the organization are approximately \$360,000.
 - 17-18 base salaries = \$300,000 (Does not include CEO (\$110,000) and we are eliminating the SGSA Manager (\$49,000) so base salaries will be \$276,290 for FY18-19
 - We received a \$50,000 grant from the MacFarlane Family Foundation to cover the base salary of the Development Director for the next two years
 - Our Marketing Director will be on maternity leave for almost four months – July 2 through October 22.
 - There estimate an additional 15% to include mandated employee reductions = \$45,000.
2. That a clearly defined development strategy will increase the number of donors / sponsors and donations by 10% over the previous fiscal year.

CY16	CY17	CY18
Giving Programs = \$283,175 359 Donors In Kind = \$105,774 44 Donors	Giving Program = \$256,466 340 Donors In Kind = \$134, 515 83 Donors	Projected = \$282,112 375 Donors In Kind = TBD Capture Q2 Data in July

3. That the partnership agreement between MLF and the SMHD will be completed and we will pay off the \$2.3 million loan, eliminate the \$88,800 annual finance charge, and will result in a net gain of \$930,000 for MLF.

4. That the \$930,000 net gain be earmarked as follows:

- \$250,000 placed in reserves
- \$100,000 be allocated for one time capital projects to include the new roof, repair of the broken windows, repairing the broken tile in the main lobby, changing out some of the tarnished photographs in the main hallways, and replacing the carpet tiles. (We have new rug tiles in storage)
- \$550,000 be divided between two laddering CD's to provide liquid assets as necessary
- \$30,000 placed in a contingency fund (legal fees, snow removal, one time staff costs, emergency repairs)

5. We have provided this level of support to the College to finance Dave's Scholars.

Fiscal Year	Tuition & Books	# Of Scholarships
FY16-17	\$25,155	21 Tuition & 48 Books
FY17-18	\$15,569	12 Tuition & 28 Books

6. All programs will either be revenue neutral or generate enhanced income for the organization.

Program	16-17 Net Profit/Loss	17-18 Net Profit/Loss
Mammoth Lakes Repertory Theatre	(\$22,361)	(\$8,824)

7. All events will either be revenue neutral or generate enhanced income for the organization.

Event	16-17 Net Profit/Loss	17-18 Net Profit/Loss
Friends of the Foundation Dinner		
Food & Wine Experience	+\$80,762 (no wages)	+\$58,632
Dave McCoy Golf Classic	+\$9,658 (no wages)	+10,667
Mammoth Lakes Film Festival	-\$29,901	-\$8,036.

8. The PAC Restricted Account has a balance of **\$1,072,710** as of June 30, 2018. We have spent **\$364,749** in FY17-18.

9. Anticipated expenses the PAC for FY18-19 are as follows:

- There is a recommendation to open a separate bank account for these funds
- \$530,000 for the cost of architectural services
- \$125,000 for the completion of the environmental review process
- \$150,000 for the costs of the permit filing process with the Town of Mammoth Lakes
- \$50,000 for consulting services related to the project
- \$100,000 to be earmarked to secure a Construction Management Firm
- \$100,000 earmarked for the Capital Campaign (Campaign Coach, additional support staff, marketing materials, events, etc.)
- **Total = \$1,055,000**

10. There will still be costs associated with the operation of the South Gateway Apartments:

- \$6000 for a Life Resident Coordinator
- \$10,000 to cover the cost of liability, accident and property insurance

Attached please find documents for your review and inquiry.

- a. Mammoth Lakes Statement of Investment Policy
- b. Summary Year to Date and Draft FY18-19 Budget
- c. June 15, 2018 Cash Report

It is recommended that the MLF Exec Com approved the FY18-19 budget with quarterly reviews presented to the MLF Executive Committee.

Funds Available: Yes

Account Number: All Accounts

Our mission is to support higher education and cultural enrichment in the Eastern Sierra

Mammoth Lakes Foundation
STATEMENT OF INVESTMENT POLICY
Revised June 2002

Purpose

The investment policy is an overall philosophy that represents the goals and objectives of the board of directors toward management of Foundation cash and assets. The philosophy takes into consideration both short term and long term needs. Key areas of concern include:

- The Endowment Fund
- Project Development
- Cash Reserves
- Restricted Funds

The purpose of the policy is to establish a clear understanding and best practices management of Foundation cash and asset. The policy is specific enough to provide guidance for investment, yet flexible enough to allow for changes in the economy and/or securities markets.

Foundation Responsibilities

Because such wide range of possibilities exist for investment policy, there exists no single investment philosophy upon which the Foundation may rely. Consequently, the prudent person should evaluate all reasonable alternatives available to people “familiar with such matters” and act accordingly. That is the Foundation Board of Director’s must insure that all investments are made with care, skill, and diligence that a prudent person acting in the interest of the Foundation would consider and must be diversified to minimize the potential risk of loss. Preservation of Foundation asset’s is the most important responsible.

The investment policy is reviewed quarterly by the executive committee and by the full board annually.

Long Term Objectives

The policy is based on capital preservation and liquidity with capital appreciation and consistent returns being secondary goals. It is understood that the Foundation expects investment objectives to be met over a complete market “cycle” (typically one to three years) but will review investment performance on a quarterly basis.

Short Term Objectives

The Foundation's short term objectives must give consideration to both interim and median term capital needs and the overall financial condition of the Foundation. The bench mark for measuring the Foundation's risk and return will be a customized index composed of the following:

- 50% Cash and equivalents (using the median of a universe of Money Market Managers).
- 50% Fixed Income (using the median of a universe of Fixed Income Managers).

Monitoring and Review

Performance reports are reviewed by the executive committee on a quarterly basis and by the full board of Director's on an annual basis.

Additionally, the Executive Committee will annually, or as needed review the following:

- Past Investment Policy
- Economic and financial factors affecting the policy.
- Adjustment to the Policy if necessary.

**MAMMOTH LAKES FOUNDATION
BUDGET TO ACTUAL COMPARISON SUMMARY
FOR THE PERIOD ENDING
MAY 31,2018**

	Budget YTD	Actual YTD	Last YTD	Budget Total	Budget 2018-19
Revenue					
1 Diamond Partnerships	125,000	120,000	90,000	125,000	150,000
2 Friends of the Foundation	48,000	44,550	47,350	48,000	48,000
3 MAC Release from restrictions	100,000	552,723	100,000	100,000	500,000
4 Giving programs	\$ 97,750	\$ 191,301	\$ 234,846	\$ 112,000	82,500
5 Capital Campaign	-	-	-	-	1,000,000
6 Development Director	-	-	-	-	50,000
7 Events	302,000	401,708	315,186	302,000	395,500
8 Arts programs	187,109	272,729	186,342	226,750	217,000
9 Other income	6,117	12,940	10,826	6,700	13,500
10 Total revenue	865,976	1,595,951	984,550	920,450	2,456,500
Fundraising Costs					
11 Giving programs	11,543	19,165	10,758	12,547	20,000
12 Events	227,053	335,846	239,270	227,053	289,550
13 Plaque program	-	17	18	-	-
14 General fundraising	2,630	1,084	2,162	4,627	5,150
15 Foundation public relations	423	1,636	3,426	1,316	3,600
16 Total fundraising costs	241,649	357,748	255,633	245,543	318,300
17 Gross margin	624,327	1,238,203	728,916	674,907	2,138,200
Administrative expense					
18 Salaries and related expenses	166,008	148,495	207,528	181,100	156,500
19 Operating expenses	105,891	117,297	112,876	115,954	129,555
20 Professional expenses	58,500	78,056	38,291	62,000	50,000
21 Total administrative expense	330,399	343,848	358,695	359,054	336,055
College program & cultural					
22 College programs	24,232	25,952	70,248	40,156	37,500
23 Arts programs	212,226	263,468	193,476	231,060	203,435
24 Campus	-	-	-	-	-
25 Total college & cultural	236,458	289,420	263,724	271,216	240,935
26 Other income (gains & losses)	-	10,000	21,607	-	-
27 Total expense	566,857	623,268	600,812	630,270	576,990
28 Net income before depreciation	57,470	614,936	128,104	44,637	1,561,210
29 Depreciation	40,283	40,286	37,925	43,945	49,945
30 Net income before SGSA	17,187	574,650	90,179	692	1,511,265
31 SGSA Revenue	268,542	280,331	160,050	291,500	-
32 SGSA Salaries & benefits	81,662	60,644	84,181	89,086	8,680
33 SGSA operating expense	179,059	187,068	192,680	188,560	22,000
34 SGSA before tax and depreciation	7,821	32,619	(116,811)	13,854	(30,680)
35 SGSA depreciation	214,052	214,051	214,050	233,511	-
36 SGSA net income	(206,231)	(181,432)	(330,861)	(219,657)	(30,680)
37 MLF Total income	\$ (189,044)	\$ 393,218	\$ (240,682)	\$ (218,965)	1,480,585

Mammoth Lakes Foundation
Cash Report

<u>06.19.18</u>			
Checking/Savings			
<u>Operating accounts</u>			
1	Wells Fargo - checking	9,004.03	AMTrust, Wells Loan
2	ESCB - checking	94,640.14	SGSA checking
3	MLF Depository	16,459.02	MLF deposit & now ckg, payroll taxes
4	Events petty cash	0.00	
5	Theatre petty cash	200.00	
6	Total operating cash	<u>120,303.19</u>	in the bank
<u>Interest bearing accounts</u>			
7	Stifel	700,851.34	MACC restricted - Langston, Tambour
8	Wells Fargo endowment funds	150,419.33	Dempsey, Knoll perm restricted - interest only use for scholarsips
9	Wells Fargo investment funds	412,234.20	Earn interest - \$455,000 Tambour
10	Total investments	<u>1,263,504.87</u>	
	Total cash	1,383,808.06	
<u>Restricted funds</u>			
11	Permanently restricted	153,953.20	balance that is Perm restricted
12	Museum - temporarily TOP reprint	0.00	used for TOP
13	Mammoth Art & Cultural Center	1,074,017.30	Tambour, Langston - interest earned of \$5851.34
14	Forest Island	6,334.34	balance
15	Wells Fargo loan - temporarily restricted	18,061.11	\$90K from Dave for interest on Wells loan
16	Measure U & Theatre Restricted	0.00	Measure U & Tambour \$45K - released to MLFF
17	Cerro Coso Fund	8,930.37	CCCD & Foulke monies years ago
18	Scholarship - temporarily restr	0.00	Oram \$15k cash - \$10k spent so far on Schol.
19	Total Wells endowment fund	<u>1,261,296.32</u>	
<u>Summary</u>			
20	Operating	<u>122,511.74</u>	cash left over!!!!
21	Board recommended reserve \$250,000		Board recommended to have on hand - yrs ago
22	Restricted	<u>1,261,296.32</u>	
	Total cash	1,383,808.06	

**Mammoth Lakes Foundation
Executive Committee
Agenda Action Sheet**

Executive Committee Meeting Date: June 27, 2018

Date Prepared: June 18, 2018

Prepared by: Rich Boccia; Executive Director
Mammoth Lakes Foundation

Title: Capital Campaign Coach

Recommended Motion:

It is recommended that the Mammoth Lakes Foundation Executive Committee review and consider approving \$9600 for a capital campaign coach to support the building of the campaign for the Performing Arts Center.

Budget Assumptions:

The Mammoth Lakes Foundation is on the verge of engaging the larger community in a capital campaign to raise funds for the Performing Arts Center.

A capital campaign, by definition, is an intense effort on the part of a nonprofit organization to raise significant dollars in a specified period of time. This is a legacy project for this community and there are no in-house experts to provide guidance and counsel as we begin this campaign which is the rationale for bringing on a coach from Capital Campaign Masters to prepare us for success.

The focus is on campaign readiness over these next four months with a cost of \$9600 for these coaching services. We have already purchased the Capital Campaign Toolkit at their reduced price of \$3997 and are beginning to use this toolkit as we develop our work with the Capital Campaign Steering Committee, the creation of the collateral for the project and the identification of ambassadors that will serve as members of the Performing Arts Center Advisory Board.

It should be interesting to note that the basis for our direction was learned while attending the Institute for Charitable Giving Conference in Chicago this past February and in fact, the professional capital campaign consultant that wrote the book, "Capital Campaigns – Strategies That Work", is also the professional capital campaign consultant that is willing to work with our organization to support this campaign.

It is recommended that the MLF Executive Committee approved this contract with Andrea Kihlstedt, the President of Capital Campaign Masters.

Funds Available: Yes

Account Number: 40390

Our mission is to support higher education and cultural enrichment in the Eastern Sierra

DRAFT

May 6, 2018

Rich Boccia
Executive Director
Mammoth Lake Foundation

Dear Rich:

I'm pleased to send you this draft proposal that outlines how we might work together to get ready for a successful campaign.

Campaign Readiness Coaching

We would work with you for an initial four-month period. During that period, you would have bi-weekly coaching calls with me or Paula Peter with additional quick-calls in between as needed. Standing calls will last approximately an hour and will be designed to move you along toward being fully ready for a campaign.

We encourage you to invite other people to participate in your individual coaching calls as we determine your campaign plans and help you move them forward.

At the end of that four-month period, we will discuss your situation to determine the next steps that will be best for you. We find that some organizations require six or even nine months to become fully campaign-ready. Others move more quickly.

The calls will be designed to fit your specific situation. But we are likely to focus on some of the critical topics of campaign readiness which include:

- Clarifying your campaign goals and objectives
- Drafting preliminary campaign materials
- Identifying and engaging your top 30 prospects
- Preparing your board and campaign leadership
- Evaluating your need for a feasibility study and ongoing counsel

Email Contact and Document Review: During your coaching period, we will answer questions through email and review documents you prepare for your campaign.

Training: I will work with you to plan and implement an on-site, in-person campaign training for your board and staff. During my visit to Mammoth Lakes, we will also have a chance to work together in person to outline the timetable for your campaign and project using the large 3' x 6' Gantt Chart I have developed. This chart is an excellent way to see the relationship and timing of the campaign, your ongoing fundraising and your building projects. These three timelines wind together and we find it helpful to use a large planning tool to establish critical benchmarks.

Evaluation and Reporting: At the end of the initial four months, we will work with you to evaluate your progress and determine the best way forward.

Campaign Coaching: If we believe that the remote coaching services we provide will be sufficient to move your organization through the campaign successfully, we will discuss with you the possibility of continuing on through the duration of your campaign.

Cost: The work outlined above during the first four months will cost of \$9,600 plus out of pocket expenses for my visit to Mammoth Lakes.

Outcomes: At the conclusion of your work with us over the first four months, you will have:

- Clarified the scope and timing of your campaign(s)
- Developed preliminary campaign materials
- Identified and engaged your top prospective donors
- Developed a gift range chart and depth chart to shape your campaign.
- Evaluated the need for a feasibility study and roles of campaign consultant
- Made the strategic decisions about your campaign that will make it most likely to succeed.

The Capital Campaign Toolkit

We recommend that our clients also purchase the Capital Campaign Toolkit, an on-line resource that provides a step-by-step guide and materials you need for your entire capital campaign. The Toolkit costs \$4,997. We offer our clients a special \$1,000 discount for this remarkable Toolkit.

The toolkit will reduce the assistance you need from full-service consultants to guide you through your campaign – whether or not you continue on with us as your coaches through the campaign.

How to Move Forward

If this is an approach you would like to pursue, I will schedule a follow up conference call for some of the key people on your team to discuss the way forward. Let me know how you would like to proceed.

I can tell from our initial call, that it would be fun to work with you and Betsy!

Sincerely yours,

A handwritten signature in black ink that reads "Andrea". The signature is fluid and cursive, with a long horizontal stroke at the end.

Andrea Kihlstedt, President
Capital Campaign Masters

**Mammoth Lakes Foundation
Executive Committee
Agenda Action Sheet**

Executive Committee Meeting Date: June 27, 2018

Date Prepared: June 15, 2018

Prepared by: Rich Boccia; Executive Director
Mammoth Lakes Foundation

Title: Corporate Governance Manual

Recommended Motion:

It is recommended that the Mammoth Lakes Foundation Executive Committee review and consider approving a Corporate Governance Manual for Mammoth Lakes Foundation.

Background Information:

It is important that in a well-run corporation that the structures and processes by which the corporation is controlled through its board, and the guiding principles to be followed in carrying out the business of the company, are properly established and well understood by individuals in the company and its other stakeholders. As well as being good practice for any business, stakeholders increasing focus on the application of sound corporate governance as evidence of a demonstrable commitment to delivering long term value and sustainability.

The purpose of the Corporate Governance Manual is to draw together in a single point of reference a clear statement of these structures, processes and principals.

This Manual includes the following;

- Board Roles and Responsibilities
- The Basics
- The Mission & Vision Statements of the Mammoth Lakes Foundation
- Core Values / Guiding Principles
- Board Structure / Executive Committee Model & Advisory Board Model
- Mammoth Lakes Foundation Organizational Chart
- Policies & Procedures
- Legal Obligations of Board Members
- Summary of Duties & Responsibilities
- The Mammoth Lakes Foundation Bylaws (December 2017)
- The Mammoth Lakes Foundation Conflict of Interest Policy

It is recommended that the MLF Executive Committee approve the attached Corporate Governance Manual which will be reviewed by staff with recommended changes to the MLF Executive Committee on an annual basis.

Funds Available: NA

Account Number: NA

Our mission is to support higher education and cultural enrichment in the Eastern Sierra

**Mammoth Lakes Foundation
Corporate Governance Manual
July 2018**



**100 College Parkway / Post Office Box 1815
Mammoth Lakes, California 93546
760-934-3781**

**Mammoth Lakes Foundation
Corporate Governance Manual
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6	Legal Obligations of Board Members
6	Summary of Duties & Responsibilities
8	The Mammoth Lakes Foundation Bylaws (December 2017)
22	The Mammoth Lakes Foundation Conflict of Interest Policy

**Mammoth Lakes Foundation
Corporate Governance Manual
July 2018**

Board Roles and Responsibilities

Board members are the fiduciaries who steer the organization towards a sustainable future by adopting sound, ethical, and legal governance and financial management policies, as well as by making sure the nonprofit has adequate resources to advance its mission.

One of the most important responsibilities for many boards is to hire and set the compensation of a talented CEO/Executive Director to run the day-to-day management activities of the organization. When there are paid staff in place, rather than steer the boat by managing day-to-day operations, board members provide *foresight, oversight, and insight*: think of them as up in the crow's nest scanning the horizon for signs of storms or rainbows to explore, perhaps with a pot of gold at the end! Yes, board members - your role as stewards of the nonprofits DOES involve fundraising and yes, you are big promoters of the important role board members play as advocates for the nonprofit's mission.

The Basics

Just as for any corporation, the board of directors has three primary legal duties known as the “duty of care,” “duty of loyalty,” and “duty of obedience.”

1. Duty of Care: Take care of the nonprofit by ensuring prudent use of all assets, including facility, people, and good will;
2. Duty of Loyalty: Ensure that the nonprofit's activities and transactions are, first and foremost, advancing its mission; Recognize and disclose conflicts of interest; Make decisions that are in the best interest of the nonprofit corporation; *not in the best interest of the individual board member* (or any other individual or for-profit entity).
3. Duty of Obedience: Ensure that the nonprofit obeys applicable laws and regulations; follows its own bylaws; and that the nonprofit adheres to its stated corporate purposes/mission.

Our Mission

The Mammoth Lakes Foundation supports higher education and cultural enrichment in the Eastern Sierra.

Our Vision

Dave McCoy's vision to cultivate higher education and the arts in the Eastern Sierra is shared by many. Our goal is a permanent and expanded college campus and facilities for academic studies, appreciation of the arts, and to support institutional public housing in Mammoth Lakes.

The Mammoth Lakes Foundation and our supporters believe that availability of higher education and cultural enrichment in the Eastern Sierra enhances the quality of life enjoyed by residents, second homeowners and visitors. It balances the recreational attractions in the community with cultural and educational opportunities. Higher education promotes leadership, stimulates growth and builds a stronger year-round economy and community.

Core Values / Guiding Principles

Core values demonstrate the essential, unchanging values of the organization. Core values should not only represent what the organization stands for, but should also guide each generation of leadership regarding how and where to lead the organization.

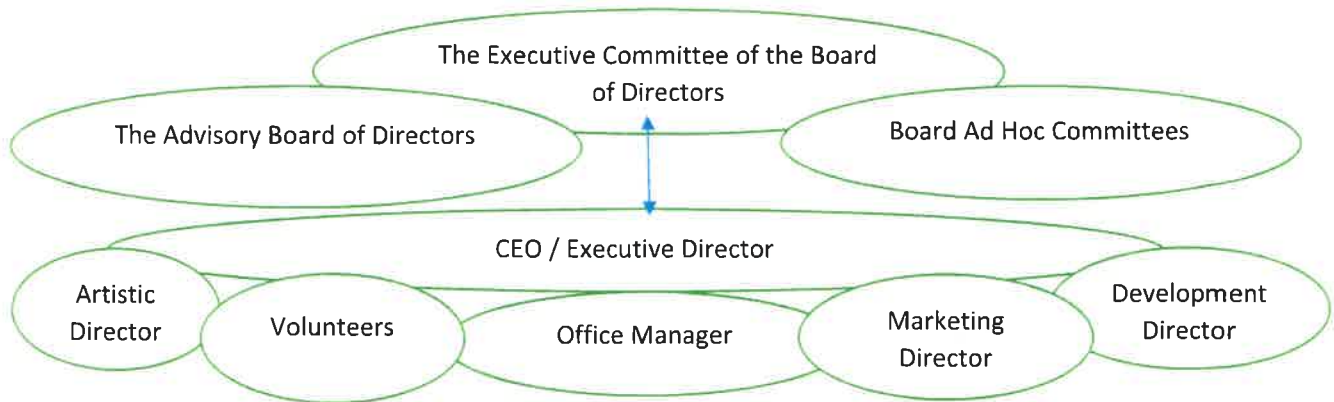
- a. **Integrity:** It is crucial that the Foundation remains beyond reproach. Not only must the Foundation pursue honorable initiatives, but it must conduct business in a way that is honest, transparent and ethical.
- b. **Empowerment:** The Foundation strives to fix larger systemic problems and to improve the quality of life for people that choose to live, work and play in our community.
- c. **Excellence:** Show the world that the Foundation is not only pursuing something important but that we are doing it well.
- d. **Community:** The Foundation will collaborate and build partnerships with other agencies in the community. An organization can accomplish more if it attempts to complement the existing resources available in the community rather than duplicate them.
- e. **Good Stewardship:** The Foundation will demonstrate that we are good stewards of the resources bequeathed to the organization.

Board Structure / Policy Board Model & Advisory Board Model

Mammoth Lakes Foundation is governed by a Board of Directors Executive Committee Board Model in which the Board gives a high level of trust and confidence over to the CEO/Executive Director. The Executive Committee has regular meetings with the CEO/Executive Director to get updates on the organization's activities. Under this model there are a few standing committees. The Executive Committee members have a demonstrated commitment to the organization and are willing to grow in the knowledge and abilities about the organization.

The Executive Committee of the Board of Directors and the CEO/Executive Director also understand that we will need assistance with running the organization. The Advisory Board Model serves as the primary resource for the Executive Committee and the CEO/Executive Director to request support for the programs and projects administered by the organization. Members of the Advisory Board are trusted advisors who offer professional skills and talent and have passion for the work of the organization. Advisory Board members typically have established expertise or credentials in the non-profit's field. An organization that is visibly connected to an Advisory Board's name can increase the organization's credibility, fundraising efforts and public relations effort.

Mammoth Lakes Foundation Organizational Chart



Policies and Procedures

The Mammoth Lakes Foundation is a tax exempt 501 C (3) nonprofit organization. The Policy Board of Directors is the authority to operate the Foundation and conduct business in accordance with the bylaws and board policies. Day to day activities are the responsibility of the staff and oversight is delegated to the Policy Board which works with Executive Director to monitor progress and the financial condition of the Foundation.

The Foundation conducts business in accordance with the laws of the State of California, the corporation's articles of incorporation, the bylaws, board policies and generally accepted business practices that will accomplish the mission of the Foundation.

Authority of the Board of Directors

Each member of the Foundation Board, in both the Policy and Advisory capacity, together with other members of the Board, is legally and morally responsible for all activities of the Foundation. All members of the Board share in a joint and collective authority which exists and can only be exercised when the group is in session. Specific responsibilities and authority is granted to the Policy Board as stated by the bylaws.

Board Delegation of Policy Interpretation to Staff and the Public

The Policy Board delegates to the President and/or the Executive Director responsibility for policy interpretation to the staff and the public and for rule making issuance of procedural directives and guidelines not specifically covered or detailed in the Board Manual. Such interpretations, rules and directives have the force of board regulations unless and until superseded by board action.

Duty of Board Members Not to Compete

A board member may not use his/her position on the Foundation Board to prevent the Foundation Board from competing with the board member's business. It is expected that board members, even after they complete board service, will not use trade secrets, client lists, or other confidential information acquired by virtue of being a member of the board.

Legal Obligations of Board Members

The Foundation Board is both responsible and liable for the Foundation. The Foundation board and the law require every board member to follow the rule of the reasonably prudent person and the principle of good faith.

The rule of the reasonably prudent person means that the board will not:

1. Mismanage the Foundation by deviating from fundamental management principles, such as planning carefully for the future of the Foundation, regularly reviewing the financial status of the Foundation, and monitoring compliance with board policies.
2. Fail to govern by utilizing all control systems to govern the Foundation
3. Be involved in self-dealing that provides personal gain to board members

The principle of good faith means that board members will:

1. Review the MLF monthly Sunday Communique that serves as a communication tool that summarizes the work of the organization
2. Attend all Board and Committee meetings to be a part of Board actions
3. Read and understand the Foundation's policies and bylaws

Summary of Duties & Responsibilities

I understand that as a member of the Board of Directors of Mammoth Lakes Foundation that I have a legal and ethical responsibility to ensure that the organization does the best work possible in pursuit of its goals. I believe in the purpose and the mission of the organization, and I will act responsibly and prudently as its steward. As part of my responsibilities as a board member:

- A. Listen carefully to my fellow board members and those served by the Foundation
- B. Respect the opinion of other board members and support the majority of decisions made by the board
- C. Recognize that authority is vested in the board when it meets in legal sessions and not as individual board members
- D. Keep well informed of developments that are relevant to issues that may come before the board
- E. Actively participate in board meetings and actions
- F. Call to the attention of the board any issues that you believe will have an adverse effect on the Foundation or those that we serve
- G. Refer constituent or staff complaints to the appropriate level
- H. Recognize that the job of the board member is to ensure that the Foundation is well managed and not managed by the board
- I. Employ the most qualified person to lead and manage the Foundation

- J. Represent all constituents of the Foundation and not a particular geographic area or special interest group
- K. Consider yourself a “trustee” of the Foundation and do your best to ensure that the Foundation is well maintained, financially secure, growing and operating in the best interest of the constituents
- L. Continue to learn more about your role as a board member and how to maximize your ability to serve
- M. Declare any conflicts of interest between your personal life and your position on the board and recuse yourself from voting on issues that appear to be a conflict of interest

As a Board Member of the Foundation I will refrain from:

- a. Be critical of other board members or their opinions either inside or outside of a board meeting
- b. Using any part of the Foundation for your personal advantage or the personal advantage of relatives or friends
- c. Discuss the confidential proceedings of the board outside of the board meeting
- d. Promise how you will vote on any issue prior to the board taking action
- e. Interfere with duties of the President/Board Chair/CEO/Executive Director or undermine their authority

BYLAWS OF

The MAMMOTH LAKES FOUNDATION
A California Non-Profit Public Benefit Corporation

(Amended and Restated as of December 2, 2017)

I

NAME, LOCATION, AND PURPOSE

1.1. The name of the corporation is Mammoth Lakes Foundation, a California Non-Profit Public Benefit Corporation, hereinafter referred to as the "Foundation" or the "Corporation". The principal office of the Foundation shall be located in the Town of Mammoth Lakes, County of Mono, California.

1.2. The Foundation is a non-profit public benefit corporation organized under the non-profit public benefit corporation law of the State of California. Notwithstanding any other provision of these articles, the Foundation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code (or the corresponding provision of any future United States Internal Revenue Law), or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code (or the corresponding provision of any future United States Internal Revenue Law).

1.3. The Foundation has been formed to promote, participate in, and develop, the establishment, maintenance, and growth of higher education in and around the Town of Mammoth Lakes and the County of Mono. The Foundation is also formed to engage in and develop cultural activities, and to perform all other functions reasonably related thereto.

II

BOARD OF DIRECTORS

2.1. General Function of the Board. The activities and affairs of the Foundation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors (the "Board"). The Board may delegate the management of the activities of the Foundation to any person or persons (Chief Executive Officer or the Executive Director), or to any committees, however composed; provided that, all corporate powers be exercised under the ultimate direction of the Board. Pursuant to this authority, the Board has delegated its power pertaining to the management of the operations and all other activities of the Foundation to the Executive Committee, as more specifically defined and as set forth herein.

2.2. Members. The Foundation shall have no members. All rights which would otherwise vest in the members shall vest in the Directors.

2.3. Compensation. No Director shall receive compensation for any services he or she may render to the Foundation. However, any Director may be reimbursed for his or her actual and reasonable expenses incurred in the performance of his or her duties.

2.4. Associate Directors. There may exist Associate Directors of the Board, at the sole discretion of the Board, who may enjoy all of the rights and responsibilities of regular members of the Board of Directors except that their powers shall be advisory, and such Associate Directors may enjoy

voting privileges. Associate Directors are "ex-officio" and assume their office by virtue of their position. Associate Directors may be appointed to serve on an annual basis.

2.5. Advisory Board Members. The Board of Directors may establish, at its sole discretion, Advisory Board Members to serve in an advisory capacity to the Board of Directors of this Foundation as detailed in Article VIII below.

2.6. Number of Directors. The minimum number of Directors shall be 11. The affairs of this Foundation shall be managed by a Board of not more than forty (40) voting Director. There shall be no limitation on the number of Associate Directors or Advisory Directors. The exact number of voting Directors shall be reviewed from time to time by the Board of Directors in the manner provided in these Bylaws at each Annual Meeting.

2.7. Term of Office. At each Annual Meeting scheduled in May of each year, of the Board of Directors, half of the members of the Board of Directors shall be elected. Members shall serve for a term of two (2) years. Each Director shall serve until a successor has been elected and qualified. At the next Annual Meeting of the Foundation following the approval and adoption of these Bylaws, the Board of Directors shall elect half of the members of the Board of Directors to one-year terms and half of the members to two-year terms. Thereafter, the staggered two -year terms shall take effect as provided for herein. The initial term of a new Director shall be a one-year term, subject to conformance with and availability of the foregoing positions.

2.8. Removal: Resignation: Vacancies. Any Director may resign upon giving written notice to the Board Chairman, or the Secretary of the Foundation. In the event of death, removal, or resignation of a Director, a successor may be selected by a majority of the remaining members of the Board or by a sole remaining Director and shall serve for the unexpired term of his or her predecessor.

All Directors must attend a minimum of fifty percent (50%) of the Board meetings, unless excused for good cause as approved by the remaining members of the Board. The Board shall declare a vacancy in the event a member of the Board of Directors is absent from any two (2) of the regular meetings during the fiscal year, or from three (3) of any five (5) consecutive meetings of the Board, and the Board by resolution declares that a vacancy exists on the Board.

III

MEETINGS OF THE BOARD OF DIRECTORS

3.1. Regular Meetings. Regular meetings of the Board of Directors shall be held as determined by the Board of Directors; provided, however, that there shall be at least one Annual Meeting and at least one additional regular meeting per year. Should said meetings fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. Notice of the time and place of the meetings shall be given in accordance with the provisions of section 3.4., provided, however, that notice of a meeting need not be given to any Director who has signed a waiver of notice or a written consent to holding of the meeting.

3.2. Annual Meetings. The purpose of the Annual Meeting in May of each year, is to elect Directors to the Board and Officers of the Foundation, and to carry on such other business as is within the Board's authority, and to approve the budget for the following fiscal year.

3.3. Special Meetings. The Board of Directors shall hold a special meeting when requested by the President, the Chairman of the Board, the CEO, the Secretary, or the Treasurer, by a written notice signed by any two (2) Officers of the Foundation, or by a written notice signed by any three (3) Directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. Notice shall be made in the manner specified in paragraph 3.4 and shall be received by all Directors at least forty-eight (48) hours in advance of the special meeting.

3.4. Notice. Notice of any meeting of the Board of Directors shall be given to each Director by one of the following methods: (a) by personal delivery; (b) by written notice via first class mail, postage prepaid; (c) by telephone communication, or (d) email correspondence either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate such notice promptly to the Director. Such notice shall be received by the Director at least five (5) days in advance of a regular or annual meeting. All such notices shall be given or sent to the Director's address or telephone number as shown on the records of the Foundation. All such notices shall specify the time and place of the meeting.

Notice of any meeting of the Board of Directors need not be given to any Director who has signed a waiver of notice or a written consent to the holding of the meeting or an approval of its minutes, whether the consent or waiver is signed before or after the meeting. Any Director who attends a meeting without protesting a lack of notice shall have waived all objections to having failed to receive proper notice.

Notice of the time and place of resuming an adjourned meeting need not be given unless the meeting is adjourned for more than forty-eight (48) hours, in which case personal notice of the time and place shall be given before the resumption of the adjourned meeting to any Directors who were not present at the time of the adjournment.

3.5. Place of Meeting. Meetings of the Board shall be held at the principal office of the Foundation or at any other place fixed by the Board from time to time.

3.6. Telephone Meetings. Any regular, annual, or special meeting may be held by conference telephone or other similar communication equipment so long as all Directors participating in the meeting can hear one another. All such Directors shall be deemed to be present in person at such meeting.

3.7. Quorum. Twenty-five percent (25%) of the number of full, voting Directors shall constitute a quorum for the transaction of business of the Board and the Executive Committee. A Director present by telephone as described in paragraph 3.6 shall be deemed present for purposes of establishing a quorum. Every act performed or decision made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as an act of the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the

withdrawal of Directors, but any action taken must be approved by a majority of the initial quorum of that meeting.

3.8. Open Meetings. All meetings of the Board of Directors shall be open to guests invited by any Director, the President, the CEO, or the Executive Director; however, any such guests shall not participate in any discussion or deliberation unless expressly so authorized by the Chairman of the Board of Directors (or his/her designee) at the meeting. Such guests shall include members of the Advisory Board of Directors and Associate Directors. Associate Directors exercising rights and responsibilities as outlined in paragraph 2.3, including voting, may participate as deemed appropriate by the Chairman.

3.9. Executive Session. The Board may, with the approval of the Chairman of the Board, adjourn an open meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Foundation is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

3.10. Action Without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a majority vote of the Board present at a duly held Board meeting. Such written consent(s) shall be filed with the minutes of the proceedings of the Board.

IV

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

4.1. Duties. In addition to the general powers and authority vested in the Board as otherwise provided for in these Bylaws and under the laws of the State of California, the Board of Directors shall have the specific duty to:

(a) maintain all insurance reasonably necessary for the benefit of the Foundation including, without limitation, workers compensation insurance, general liability insurance, directors and officers liability insurance, and insurance covering the assets of the Foundation.

(b) pay all expenses and obligations incurred by the Foundation in the conduct of its business including, without limitation, all licenses, taxes, or governmental fees levied or imposed against the property of the Foundation.

(c) cause to be kept a complete record of all of the Foundation's acts and business affairs and to present copies thereof to the Board at the annual meeting; keep adequate and complete books and records of the accounts and minutes of proceedings of the Board and all committees.

(d) supervise all officers, agents, and employees of the Foundation and see that

their duties are properly performed.

- (e) enforce these Bylaws and any and all governing documents of the Foundation.

4.2. Powers. In addition to the general powers and authority vested in the Board as otherwise provided for in these Bylaws and under the laws of the State of California, the Board of Directors shall have the power to:

- (a) employ a Chief Executive Officer and an Executive Director who shall both be members of the Board of Directors and the Executive Committee.

- (b) contract for goods and/or services.

- (c) delegate its authority and powers to committees, officers, or employees of the Foundation. Any such delegation shall be revocable by the Board at any time. Pursuant to this authority, the Board has delegated to and vested all of its authority and powers in the Executive committee of the Board. The Board shall select the Executive Committee from the officers of the Foundation.

- (d) The members of the Board, individually or collectively, shall not be liable for any omission or improper exercise by the officers and employees of any such duty, power, or function so delegated by the Board.

V

OFFICERS AND THEIR DUTIES

5.1. Enumeration. The officers of the foundation shall be a Chairman, a Secretary, and a Treasurer, who shall at all times during their tenures be members of the Board of Directors. The Foundation shall also have a Chief Executive Officer, and an Executive Director and such other officers as may be appointed in accordance with the provisions of section 5.3. Any number of offices may be held by the same person.

5.2. Election of Officers. The officers of the Board shall be chosen by the Board every year. Elections of officers shall take place at the annual meeting in May of the Foundation. Each officer shall hold office for the ensuing year or until his successor shall be elected and qualified, or until he is otherwise disqualified to serve.

5.3. Removal and Resignation. Any officer appointed or elected by the Board may be removed either with or without cause by a majority of the Directors at the time in office at any regular or special meeting of the Board. Officers hold their offices and serve the Corporation at the pleasure of the Board.

Any officer may resign at any time by giving written notice to the Board, or to the Chairman or to the Secretary. Any such resignation shall take effect the date of the receipt of this notice or at any

later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5.4. Vacancy. The vacancy in any office because of death, resignation, removal, disqualification, or any other cause, shall be filled in the manner prescribed by the Bylaws for regular appointments to such office.

5.5. Chairman of the Board. The Board shall elect one of its members to act as Chairman. If at any time, the Chairman shall be unable to act, the Secretary shall take their place and perform those duties. If the Secretary shall also be unable to act, the Board may appoint some other member of the Board to do so; and such person shall be vested temporarily with all the functions and duties of the office of the Chairman. The Chairman:

- (a) Shall preside over all meetings of the Board.
- (b) Shall, as Chairman, and with the attestation of the Secretary, execute in the name of the Foundation, all contracts and conveyances, and all other instruments in writing which have been authorized by the Board.
- (c) Shall have, subject to the advice and control of the Board, and the ongoing responsibilities of the President and a CEO, general responsibility for management of the affairs of the Foundation during his term of office.

5.6. Secretary. The Board shall elect a Secretary from its membership whose duties shall be to keep, or cause to be kept, accurate and complete minutes of all meetings, call meetings on order of the Chairman, and attend to all correspondence of the Board, attest the signature of the Chairman on contracts and conveyances. All other instruments shall have the recorded approval of the Board.

5.7. Treasurer. The Board shall elect a Treasurer from its membership, whose duties shall be to ascertain that all receipts are deposited, and disbursements made, in accordance with these Bylaws, the directions of the Board, and good business practice. The Treasurer shall work in coordination with any Certified Public Accounting firm retained by the Foundation.

5.8. Delegation. The foregoing duties may be delegated to the Chief Executive Officer of the Foundation.

5.9. Other Officers. The Board may create such other offices as the business of the Foundation may require, and the holder of each such office shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws, or as the Board may from time to time determine. Such additional offices may be filled either by members or nonmembers of the Board.

VI

CHIEF EXECUTIVE OFFICER

6.1. Appointment. In addition to the officers of the Foundation, the Board shall select, appoint, and employ a Chief Executive Officer (CEO), qualified in education and experience appropriate to the proper discharge of his responsibilities. The CEO shall serve at the pleasure of the Board, and shall be a member of the Board and the Executive Committee during their tenure as CEO.

6.2. Duties of CEO. The CEO shall employ an Executive Director to be the chief administrator and operating officer, general manager, and supervisor of all the operations of the Foundation. The CEO shall be delegated such powers by the Board as are necessary to fulfill this responsibility. The CEO shall ensure that staff, among other authorities and duties:

1. Carry out all policies established by the Board.
2. Serve as a liaison officer and channel of communications between the Board and/or any of its committees and the staff
3. Prepare an annual budget showing the expected receipts and expenditures as required by the Board.
4. Select, employ, control, and discharge all staff members. Develop and maintain personnel policies and practices for the Foundation.
5. See that all physical properties are kept in a good state of repair and operating condition.
6. Supervise all business affairs and insure that all funds are collected and expended to the best possible advantage.
7. Submit regularly to the Board or its authorized committees or officers reports showing the professional service and financial activities of the Foundation and prepare and submit such special reports as may be required by the Board.
8. Attend all meetings of the Board and its committees.
9. Perform any other duties that may be necessary in the best interests of the Foundation.
10. Prepare and submit to the Board for approval and maintain a plan of organization of the personnel and others concerned with the operations of the Foundation.
11. Prepare or cause to be prepared all plans and specifications for the construction and repair of works and facilities operated by the Foundation.
12. Perform other and additional duties as the Board may require by contract, directive, or otherwise.

6.3. Committee Membership. The CEO shall be a member, ex-officio, of all committees of the Board.

VII

COMMITTEES

7.1. Committees. The Board may appoint standing and special committees, with the nature and scope as the Board may authorize pursuant to these Bylaws, to more effectively carry out the responsibilities of the Board. All committee chairs and members shall be selected by the Chairman of the Board, subject to the approval of the Board.

7.2. Executive Committee. As set forth in Section 4.2(c), the Board has broadly delegated its authority to the Executive Committee. The Executive Committee shall be composed of up to seven (7) members selected from the Board and/or the Associate Directors of the Board. All Executive Committee members shall be appointed by the Chairman of the Board. The Executive Committee shall meet at least four (4) times per year.

7.3. Special Advisory Committees. The Board of Directors may, by resolution adopted by a majority of the authorized number of Directors then in office, designate one or more committees to serve in an advisory capacity to the Board of Directors. Such committees may consist of one or more members of the Board of Directors and may include non-members of the Board, the Associate Directors, and/or Advisory Directors. These advisory committees shall have no legal authority to act for the Foundation or bind the Foundation to any contract or obligation. Advisory committees shall report their findings and recommendations to the Board of Directors as directed by the Board. All members of advisory committees shall serve at the pleasure of the Board of Directors.

7.4. Scheduling of Committee Meetings. Committees shall meet on an as-needed basis.

7.5. Notice and Conduct of Committee Meetings. All meetings of standing committees (e.g., the Executive Committee) shall be duly noticed as provided for in section 3.4. All meetings of temporary, advisory, or ad hoc committees shall not be subject to notice or open meeting requirements.

VIII

ADVISORY BOARD OF DIRECTORS

8.1. Definition. The Board of Directors may establish, at its sole discretion, an Advisory Board of Directors to serve in an advisory capacity to the Board of Directors. The membership of the Advisory Board of Directors is intended to be comprised of persons both resident and non-resident to the local community, and from various areas of commerce, industry, and other sectors of the community.

8.2. Number. The number of members of the Advisory Board of Directors shall be set from time to time by Resolution of the Board of Directors.

8.3. Appointment, Removal and Vacancies. Each member of the Advisory Board of Directors shall serve at the pleasure of the Board of Directors.

8.4. Compensation. No Advisory Director, while acting in the capacity of an Advisory Director, shall receive compensation for any services he or she may render to the Foundation. However, any Advisory Director may be reimbursed for his or her actual and reasonable expenses incurred in the performance of his or her duties. Each Advisory Director may be indemnified by the Foundation as provided for in Article IX.

8.5. Meetings. The Advisory Board of Directors shall hold a meeting whenever called by the Board of Directors. Notice shall be given to each member of the Advisory Board as provided in paragraph 3.4 of these Bylaws.

8.6. Quorum. A majority of the number of Advisory Directors shall constitute a quorum for the transaction of business of the Advisory Board of Directors.

IX

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS

9.1. Agents, Proceedings, and Expenses. For the purposes of this Article, "agent" means any person who is or was a director or officer of this Foundation, except as set forth in paragraph 9.4 hereof.

9.2. Actions Other than by the Foundation. This Foundation shall indemnify any agent who was or is a party, or is threatened to be made a party, to any proceeding (other than an action by or in the right of this Foundation) by reason of the fact that such agent is or was an agent of this Foundation against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if that agent acted in good faith and in a manner that person reasonably believed to be in the best interests of this Foundation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of that person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the agent did not act in good faith and in a manner which the agent reasonably believed to be in the best interests of this Foundation or that the agent had reasonable cause to believe that the agent's conduct was unlawful.

9.3. Actions by the Foundation. This Foundation shall indemnify any agent who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action by or in the right of this Foundation to procure a judgment in its favor by reason of the fact that the agent is or was an agent of this Foundation, against expenses actually and reasonably incurred by that person in connection with the defense or settlement of that action if that agent acted in good faith, in a manner that agent believed to be in the best interests of this Foundation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar

circumstances. No indemnification shall be made under this Section:

(a) In respect of any claim, issue, or matter as to which that agent shall have been adjudged to be liable to this Foundation in the performance of that agent's duty to this Foundation, unless and only to the extent that the court in which that action was brought shall determine upon application that, in view of all the circumstances of the case, that agent is fairly and reasonably entitled to indemnity for the expenses which the court shall determine;

(b) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

(c) Of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval.

9.4. Successful Defense by Agent. To the extent that an agent of this Foundation within the meaning of Section 31(a) of the General Corporation Law of California has been successful on the merits in defense of any proceeding referred to in paragraphs 9.2 or 9.3, or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

9.5. Required Approval. Except as provided in paragraph 9.4, any indemnification under this Article shall be made by this Foundation only if authorized in the specific case on a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in paragraphs 9.2 or 9.3, by:

(a) A majority vote of a quorum consisting of directors who are not parties to the proceeding;

(b) The court in which the proceeding is or was pending, on application made by this Foundation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by this Foundation.

9.6. Advance of Expenses. Expenses incurred in defending any proceeding may be advanced by this Foundation before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the agent to repay the amount of the advance unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article.

9.7. Other Contractual Rights. Nothing contained in this Article shall affect any right to indemnification to which persons other than directors and officers of this Foundation or any subsidiary hereof may be entitled by contract or otherwise.

9.8. Limitations. No indemnification or advance shall be made under this Article, except as provided in paragraphs 9.4 or 9.5(c), in any circumstances where it appears:

(a) That it would be inconsistent with a provision of the articles, resolution of the shareholders, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limited indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

9.9. Insurance. Upon and in the event of a determination by the board of directors of this Foundation as the Executive Committee to purchase such insurance, this Foundation shall purchase and maintain insurance on behalf of any agent, within the definition of Section 317(a) of the General Corporation Law of California, of the Foundation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not this Foundation would have the power to indemnify the agent against that liability under the provisions of this section.

9.10. Fiduciaries of Corporate Employee Benefit Plan. This Article does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit in that person's capacity as such, even though that person may also be an agent of the Foundation as defined in paragraph 9.1. Nothing contained in this Article shall limit any right to indemnification to which such a trustee, investment manager, or other fiduciary may be entitled by contract or otherwise, which shall be enforceable to the extent permitted by applicable law other than this Article.

X

BOOKS AND RECORDS

10.1. Rights of Inspection. Every member of the Board of Directors shall have the absolute right at any reasonable time, after giving reasonable written notice, to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the Foundation.

XI

AMENDMENTS

11.1. Amendments to Bylaws. These Bylaws may be amended by the affirmative vote of majority of the total membership of the Board of Directors. Any such amendment shall take effect upon formal adoption by the Board and by attestation by the Secretary of the Foundation and placement of the document evidencing the amendment to these Bylaws in the books and records of the Foundation.

XII

MISCELLANEOUS

12.1. Fiscal Year. The fiscal year of the Foundation shall begin on July 1 and end on June 30

of every year.

12.2. Effect of These Bylaws. These Bylaws as adopted hereby are Amended and Restated Bylaws and supplant, replace, and supersede any and all previous Bylaws and any Amendments thereto.

12.3. Severance. In the event any term or provision of these Bylaws is deemed to be in violation of law, null and void, or otherwise of no force or effect, the remaining terms and provisions of these Bylaws shall remain in full force and effect.

12.4. Interpretation. These Bylaws shall be interpreted under and shall be consistent with the laws of the State of California.

12.5. Effect of Waiver. No waiver of any breach or violation of any term, provision, article, or section of these Bylaws shall be construed as a waiver of any succeeding breach or violation of the same. The consent or approval of the Board to or of any action or matter requiring consent or approval shall not be deemed to waive or render unnecessary any consent to or approval of any subsequent or similar act or matter.

12.6. Remedies. Enforcement of any term, provision, article, or section of these Bylaws shall be by proceedings at law or in equity against any persons or entities violating or attempting to violate these Bylaws, either to restrain violation, compel compliance or action, and/or to recover damages.

12.7. Remedies Cumulative. Any and all remedies provided by these Bylaws, law, operation of law, or otherwise, shall be deemed to be cumulative, and the choice of implementation of any particular remedy shall not be deemed to be an election of remedies to the mutual exclusion of any other remedy provided.

12.8. Construction of Bylaws. The masculine gender includes the feminine and neuter, the singular number includes the plural, and the plural number includes the singular, and the word "person" includes a corporation or other legal entity as well as a natural person.

**CERTIFICATE OF SECRETARY OF
MAMMOTH LAKES FOUNDATION
A California Non-Profit Public Benefit Corporation**

I, the undersigned, certify that

I am the presently elected and acting secretary of the Mammoth Lakes Foundation, a California Non-Profit Public Benefit Corporation.

The above bylaws, consisting of 14 pages, are the bylaws of this corporation as adopted by a meeting of the board of directors held on December 2, 2017

IN WITNESS WHEREOF, I have subscribed my name and affixed the seal of this corporation.



Secretary

(Seal)

Mammoth Lakes Foundation (MLF)

Conflict of Interest Policy¹

And

Annual Statement

For Directors and Officers and Members of a Committee with Board Delegated Powers

Article I – Purpose

1. The purpose of this Board conflict of interest policy is to protect MLF’s interests when it is contemplating entering into a transaction or arrangement that might benefit the private interests of an officer or director of MLF or might result in a possible excess benefit transaction.
2. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.
3. This policy is also intended to identify “independent” directors.

Article II – Definitions

1. **Interested person** – Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
2. **Financial interest** – A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - a. An ownership or investment interest in any entity with which MLF has a transaction or arrangement,
 - b. A compensation arrangement with MLF or with any entity or individual with which MLF has a transaction or arrangement, or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which MLF is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

¹ This policy is based on the IRS model Conflict of Interest policy, which is an attachment to Form 1023. It adds information needed to allow MNA to assess director independence in order to answer questions on Form 990.

A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board or the Executive Committee decides that a conflict of interest exists, in accordance with this policy.

3. **Independent Director** – A director shall be considered “independent” for the purposes of this policy if he or she is “independent” as defined in the instructions for the IRS 990 form or, until such definition is available, the director --
 - a. is not, and has not been for a period of at least three years, an employee of MLF or any entity in which MNA has a financial interest;
 - b. does not directly or indirectly have a significant business relationship with MLF, which might affect independence in decision-making;
 - c. is not employed as an executive of another corporation where any of MLF’s executive officers or employees serve on that corporation’s compensation committee; and
 - d. does not have an immediate family member who is an executive officer or employee of MLF or who holds a position that has a significant financial relationship with MLF.

Article III -- Procedures

1. **Duty to Disclose** – In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board or Executive Committee.
2. **Recusal of Self** – Any director may recuse himself or herself at any time from involvement in any decision or discussion in which the director believes he or she has or may have a conflict of interest, without going through the process for determining whether a conflict of interest exists.
3. **Determining Whether a Conflict of Interest Exists** – After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board or Executive Committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or Executive Committee members shall decide if a conflict of interest exists.
4. **Procedures for Addressing the Conflict of Interest**
 - a. An interested person may make a presentation at the Board or Executive Committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
 - b. The Chairperson of the Board or Executive Committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - c. After exercising due diligence, the Board or Executive Committee shall determine whether MLF

can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or Executive Committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in MLF's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

5. Violations of the Conflicts of Interest Policy

- a. If the Board or Executive Committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board or Executive Committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV – Records of Proceedings

The minutes of the Board and all committees with board delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's or Executive Committee's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V – Compensation

1. A voting member of the Board who receives compensation, directly or indirectly, from MLF for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from MLF for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from MLF, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI – Annual Statements

1. Each director, principal officer and member of a committee with Board delegated powers shall annually sign a statement which affirms such person:
 - a. Has received a copy of the conflict of interest policy,
 - b. Has read and understands the policy,
 - c. Has agreed to comply with the policy, and
 - d. Understands MLF is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.
2. Each voting member of the Board shall annually sign a statement which declares whether such person is an independent director.
3. If at any time during the year, the information in the annual statement changes materially, the director shall disclose such changes and revise the annual disclosure form.
4. The Executive Committee shall regularly and consistently monitor and enforce compliance with this policy by reviewing annual statements and taking such other actions as are necessary for effective oversight.

Article VII – Periodic Reviews

To ensure MLF operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

1. Whether compensation arrangements and benefits are reasonable, based on competent survey information (if reasonably available), and the result of arm's length bargaining.
2. Whether partnerships, joint ventures, and arrangements with management organizations, if any, conform to MLF's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement or impermissible private benefit or in an excess benefit transaction.

Article VIII – Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, MLF may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

**Director and Officer
Annual Conflict of Interest Statement**

1. Name: _____ Date: _____

2. Position:

Are you a voting Director? Yes No (please circle one) Are you an Officer? Yes No (circle)

If you are an Officer, which Officer position do you hold:

3. I affirm the following:

I have received a copy of the MLF Conflict of Interest Policy. _____ (initial)
I have read and understand the policy. _____ (initial)
I agree to comply with the policy. _____ (initial)
I understand that MLF is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of tax-exempt purposes. _____ (initial)

4. Disclosures:

a. Do you have a financial interest (current or potential), including a compensation arrangement, as defined in the Conflict of Interest policy with MLF? Yes No (circle)

i. If yes, please describe it: _____

ii. If yes, has the financial interest been disclosed, as provided in the Conflict of Interest policy? Yes No (circle)

b. In the past, have you had a financial interest, including a compensation arrangement, as defined in the Conflict of Interest policy with MNA? Yes No (circle)

i. If yes, please describe it, including when (approximately): _____

ii. If yes, has the financial interest been disclosed, as provided in the Conflict of Interest policy? Yes No (circle)

5. Are you an independent director, as defined in the Conflict of Interest policy? Yes No (circle)

a. If you are not independent, why? _____

Date: _____

Signature of Director

Date of Review by Executive Committee: _____

**Mammoth Lakes Foundation
Executive Committee
Agenda Action Sheet**

Executive Committee Meeting Date: June 27, 2018

Date Prepared: June 15, 2018

Prepared by: Rich Boccia; Executive Director
Mammoth Lakes Foundation

Title: MLF Executive Committee Slate of Officers FY18-19

Recommended Motion:

It is recommended that the Mammoth Lakes Foundation Executive Committee take action to approve a slate of officers for the Mammoth Lakes Foundation's Executive Committee that serves as the policy board for the Corporation for FY18-19.

Background Information:

The following excerpts are elements of the approved bylaws to guide your decision.

2.1. General Function of the Board. The activities and affairs of the Foundation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors (the "Board"). The Board may delegate the management of the activities of the Foundation to any person or persons (Chief Executive Officer or the Executive Director), or to any committees, however composed; provided that, all corporate powers be exercised under the ultimate direction of the Board. Pursuant to this authority, the Board has delegated its power pertaining to the management of the operations and all other activities of the Foundation to the Executive Committee, as more specifically defined and as set forth herein.

5.1. Election of Officers. The officers of the Board shall be chosen by the Board every year. Elections of officers shall take place at the annual meeting in May of the Foundation. Each officer shall hold office for the ensuing year or until his successor shall be elected and qualified, or until he is otherwise disqualified to serve.

5.2. Chairman of the Board. The Board shall elect one of its members to act as Chairman. If at any time, the Chairman shall be unable to act, the Secretary shall take their place and perform those duties. If the Secretary shall also be unable to act, the Board may appoint some other member of the Board to do so; and such person shall be vested temporarily with all the functions and duties of the office of the Chairman. The Chairman:

(a) Shall preside over all meetings of the Board.

(b) Shall, as Chairman, and with the attestation of the Secretary, execute in the name of the Foundation, all contracts and conveyances, and all other instruments in writing which have been authorized by the Board.

(c) Shall have, subject to the advice and control of the Board, and the ongoing responsibilities of the President and a CEO, general responsibility for management of the affairs of the Foundation during his term of office.

5.3. Secretary. The Board shall elect a Secretary from its membership whose duties shall be to keep,

or cause to be kept, accurate and complete minutes of all meetings, call meetings on order of the Chairman, and attend to all correspondence of the Board, attest the signature of the Chairman on contracts and conveyances. All other instruments shall have the recorded approval of the Board.

5.4. Treasurer. The Board shall elect a Treasurer from its membership, whose duties shall be to ascertain that all receipts are deposited, and disbursements made, in accordance with these Bylaws, the directions of the Board, and good business practice. The Treasurer shall work in coordination with any Certified Public Accounting firm retained by the Foundation.

5.5. Delegation. The foregoing duties may be delegated to the Chief Executive Officer of the Foundation.

5.11. Other Officers. The Board may create such other offices as the business of the Foundation may require, and the holder of each such office shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws, or as the Board may from time to time determine. Such additional offices may be filled either by members or nonmembers of the Board.

7.2. Executive Committee. As set forth in Section 4.2(c), the Board has broadly delegated its authority to the Executive Committee. The Executive Committee shall be composed of up to seven (7) members selected from the Board and/or the Associate Directors of the Board. All Executive Committee members shall be appointed by the Chairman of the Board. The Executive Committee shall meet at least four (4) times per year.

It is recommended that the MLF Executive Committee take action to approve a slate of officers.

Funds Available: NA

Account Number: NA

Our mission is to support higher education and cultural enrichment in the Eastern Sierra

**Mammoth Lakes Foundation
Executive Committee
Agenda Action Sheet**

Executive Committee Meeting Date: June 27, 2018

Date Prepared: June 21, 2018

Prepared by: Rich Boccia; Executive Director
Mammoth Lakes Foundation

Title: Resolution of the Board of Mammoth Lakes Foundation / 50% Sale of the South Gateway Apartments

Recommended Motion:

It is recommended that the Mammoth Lakes Foundation Executive Committee review and consider approving this Resolution approving the 50% sale of the South Gateway Apartments between the Mammoth Lakes Foundation and the Southern Mono Healthcare District.

Background Information:

The creation of this partnership agreement between the Mammoth Lakes Foundation and the Southern Mono Healthcare District has been in the developmental stages over this past year.

The goal of this partnership agreement is to increase the opportunity for housing to expand beyond college students for residents that meet the definition of the zoning code as Institutional Public that the Town Council took action to expand on September 20, 2018.

The governing bodies for both organizations and their legal counsels have reviewed and provided input into the final version of this partnership agreement which is an element of this agenda bill.

The final stage is to approve the attached Resolution that will provide authorization for senior administrative staff and MLF legal counsel to take all steps necessary to move forward with the transaction, including without limitation, executing contract documents, escrow documents, a deed, abstracts, and related documents to complete the transaction and close an escrow through Inyo-Mono Title Company.

It is recommended that the MLF Executive Committee approved this Resolution which will provide the authorization for MLF legal counsel to close this 50% sale of the South Gateway Apartments.

Funds Available: Yes

Account Number: 70264

Our mission is to support higher education and cultural enrichment in the Eastern Sierra

**RESOLUTION OF THE BOARD OF MAMMOTH LAKES FOUNDATION,
A CALIFORNIA PUBLIC BENEFIT CORPORATION**

Whereas, the Board of the Mammoth Lakes Foundation (“MLF”) at a duly noticed meeting previously approved the sale, and completion of all necessary documentation to complete a sale, of an undivided 50% interest in 121 College Parkway, Mammoth Lakes, California 93546, Assessor’s parcel No. 35-110-015 (the “Property”) to Southern Mono Healthcare District (“District”). This Resolution is being adopted after said approval to satisfy the requirements of the title company and to confirm and affirm that Rich Boccia, Executive Director of Mammoth Lakes Foundation, is authorized by MLF to execute all documents in connection with the sale described in this Resolution.

Whereas, the foregoing approval included authorization for senior administrative staff and MLF legal counsel to take all steps necessary to move forward with the transaction, including without limitation, executing contract documents, escrow documents, a deed, abstracts, and related documents to complete the transaction and close an escrow through Inyo-Mono Title Company.

Whereas, MLF has been informed that Inyo-Mono Title Company requests a formal resolution confirming the approved purchase and sale transaction for the Property.

Upon motion duly made, seconded, and adopted, the Board of Mammoth Lakes Foundation makes the following resolution:

Resolved, the Board hereby confirms and affirms its approval of the sale of an undivided 50% interest in the Property to District pursuant to the terms of the contract documents. The Board authorizes Rich Boccia, Executive Director of Mammoth Lakes Foundation, to take all actions and to execute individually all documents necessary to enter into contract, open an escrow, and complete the transaction of sale of 50% interest in the Property to District. In the event escrow or the title company request a second signature on any document along with that of Rich Boccia, then Rich Boccia is authorized to select an appropriate individual from MLF to complete the signatures.

Passed and Adopted by the Board of Mammoth Lakes Foundation, County of Mono, State of California, this ____ day of June, 2018, as a duly noticed meeting of the board held in accordance with the Bylaws of MLF by the following votes:

AYES:

NOES:

ABSENT:

Chair of the Board

Attested by:

Secretary to the Board

**AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY
(South Gateway Parcel)**

THIS AGREEMENT is made this 21st day of June 2018, at the Town of Mammoth Lakes, County of Mono, State of California, by and between, Mammoth Lakes Foundation, a California Public Benefit Corporation ("MLF"), and Southern Mono Healthcare District ("SMHD").

Recitals

A. SMHD is a Local Health Care District duly organized and existing under the laws of the State of California and more specifically pursuant to the Local Health Care District Law, Health and Safety Code §§32000, et seq.

B. MLF is the owner of a parcel of real property, consisting of approximately 11 acres and including improvements, located at 121 College Parkway, Mammoth Lakes, California 93546. This real property is legally described on Exhibit "A" attached hereto and made a part hereof; Assessor's Parcel No. 35-110-015 (the "Property").

C. MLF desires to sell to SMHD, and SMHD desires to purchase and acquire from MLF, a portion of MLF's right, title, and interest in and to the Property in accordance with the terms and provisions of this Agreement. Upon the close of escrow (as defined in this Agreement), the parties shall enter into a separate agreement pertaining to the co-ownership, co-tenancy, operation, occupancy, and management of the Property.

D. The building improvements on the Property are presently used for student housing. It is intended by the parties to continue this use of the Property and to further include employee housing for the parties; all as permitted by current and future zoning and planning approvals applicable to the Property. The specific terms and provisions for use of the Property shall be set forth in the agreement referenced in Recital C.

Agreement

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS, CONDITIONS, AND PROMISES CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

1. Purchase and Sale. SMHD agrees to purchase and MLF agrees to sell an undivided 50% interest in the Property.

2. Purchase Price and Terms. The total purchase price to be paid is Three Million Two Hundred Thirty Thousand Dollars (\$3,230,000.00). The purchase price shall be paid as follows.

2.1. SMHD shall deposit into escrow upon opening the sum of Five Thousand Dollars (\$5,000.00), which shall be applied to the purchase price upon the Close of Escrow.

2.2. SMHD shall deposit into escrow by closing the balance of the purchase price in the sum of Three Million Two Hundred Twenty-Five Thousand Dollars (\$3,225,000.00) in cash, together with sufficient funds to cover SMHD's share of closing costs.

2.3. The purchase price shall be allocated and reported by the parties as determined and agreed to by the parties during escrow and no later than five (5) days before the Close of Escrow. The breakdown of categories shall be as follows: Land and Real Property Improvements.

Each of the parties hereto acknowledges and agrees that the foregoing allocation of the purchase price consideration will be used for income tax and property tax reporting purposes by both SMHD and MLF. The parties hereby declare that the allocations stated hereinabove were determined in good faith, through arms length negotiation. Each party agrees to report the transaction for income tax and property tax purposes in accordance with the allocations stated hereinabove and not to take a position inconsistent with those allocations, except (1) with the written consent of the other party hereto; or (2) if the Internal Revenue Service, Franchise Tax Board, Mono County Tax Assessor, or other taxing authority has taken a position with respect to the other party hereto contrary to the allocations recited hereinabove, in which case a party may take a protective position by adopting the taxing agency's contention until the controversy between the taxing agency and the other party is resolved.

3. Escrow. Immediately upon execution of this Agreement, the parties shall cause an escrow to be opened with Inyo-Mono Title Company. The parties shall jointly retain Inyo-Mono Title Company to act as escrowholder herein. The parties shall instruct escrowholder to insert the following material terms in said escrowholder's standard form Real Property Escrow Instructions. Close of Escrow is defined as recording the Grant Deed establishing the ownership and record fee title interest of SMHD in and to the Property.

3.1. Title. Title is to be delivered by MLF to SMHD free of liens, encumbrances, easements, restrictions, rights and conditions of record or known to MLF other than current property taxes, and all covenants, conditions, restrictions, and easements, rights and conditions of record (the "Permitted Exceptions"). MLF shall furnish to SMHD at MLF's expense a standard California Land Title Association (CLTA) policy issued by Inyo-Mono Title Company, showing title vested in SMHD and MLF, as tenants in common, subject only to the above. SMHD shall have ten (10) business days after receipt of a current preliminary title report furnished at the expense of MLF to disapprove any title exceptions, by giving written notice of such disapproval to MLF. If MLF is unwilling or unable to eliminate any title matter disapproved by SMHD as set forth above, SMHD may elect to terminate this Agreement. SMHD may elect to obtain an American Land Title Association (ALTA) policy, provided that the closing date is not delayed as a result. In such event, SMHD shall pay the premium amount in excess of the premium (including all costs associated therewith such as engineering fees, survey fees) for the CLTA policy

referenced above.

3.2. Prorations. Property taxes, assessments of record, rents, and any other related items or expenses shall be prorated as of the Close of Escrow. Any bond or assessment which is a lien against the Property shall be paid current by MLF and any outstanding principal balance shall be jointly assumed by the parties. Documentary Transfer Taxes shall be paid by MLF.

3.3. Possession. Possession and occupancy of the Property shall be delivered to SMHD upon Close of Escrow.

3.4. Vesting. The parties shall provide escrowholder with final vesting prior to closing.

3.5. All escrow fees and costs, other than those expressly set forth herein, shall be borne equally by the parties.

3.6. Escrow shall be deemed opened by the parties after the parties have signed and delivered escrow instructions to escrowholder.

3.7. Escrow shall close on or before May 31, 2018 (the "Closing Date").

3.8. Except as otherwise expressly set forth herein, all liens, encumbrances, and other liabilities pertaining to or against the Property shall be satisfied and extinguished by MLF upon the Close of Escrow.

3.9. SMHD shall have the absolute right to cancel this Agreement at any time during the escrow period based upon: (1) any dissatisfaction or objection to the physical condition of the Property, (2) any failure of a condition, (3) dissatisfaction or objection to any existing lease agreement, or (4) any other basis expressly provided for in this Agreement; it being the express intent of the parties that SMHD's decision to accept the condition of the Property or raise an objection shall be within the sole and absolute discretion of SMHD. In the event SMHD elects to cancel this transaction as provided for herein, all deposits of SMHD shall immediately be returned to SMHD, and any instructions to the escrowholder that require the return of any deposit to SMHD shall cause the refund to be made immediately without any requirement for MLF's concurrence or acceptance. Escrowholder shall be instructed to return the deposit to SMHD based on an instruction signed by SMHD only. Escrowholder shall hold such instruction from SMHD for a period of ten (10) days from the date of such instruction in order to provide MLF with the 10-day period to express any objection thereto and claim of default on the part of SMHD. In the event MLF timely gives such notice of objection and default, escrowholder shall retain the deposit pending a mutual instruction from the parties, the right of escrowholder to interplead such funds pursuant to the standard form preprinted provisions of escrowholder's escrow instructions, or any order of a court of competent jurisdiction.

4. Contract Documents. This Agreement (with addenda) and escrow instructions, including any amendments or modifications to any of the foregoing, shall constitute the contract documents for this purchase and sale transaction. In the event of any inconsistency as between this Agreement and escrow instructions, the terms of this Agreement shall prevail.

5. Conditions Precedent to the Obligations of SMHD. Each of the following shall be conditions precedent to the obligations of SMHD:

5.1. Due Diligence. SMHD shall have until twenty (20) days after the opening of escrow (the "Due Diligence Date") to complete its due diligence of and concerning the Property and approve or disapprove the Property including without limitation the following matters:

(1) the physical condition of the Property, including without limitation soils conditions, the size, dimensions and boundaries of the Property, the building foundation, structure, exterior and roof, and all plumbing, electrical, mechanical, heating, ventilation, air conditioning and other systems;

(2) the cost and availability of utilities and other governmental and quasi-governmental services;

(3) the feasibility of any improvements planned by SMHD, including without limitation the cost and availability of building permits and other approvals necessary to construct such improvements and the cost of such improvements;

(4) title matters, including without limitation the Permitted Exceptions and the cost and availability of any additional title insurance coverage or endorsement desired by SMHD;

(5) compliance with applicable laws, including without limitation zoning and use restrictions, building codes and health and safety laws;

(6) the cost and availability of financing;

(7) whether the Property is within or affected by any geologic, seismic, flood or other special zone;

(8) environmental matters, including without limitation the potential existence of hazardous materials on, in or near the Property;

(9) completion of an appraisal of the Property at SMHD's sole cost and expense;

(10) full execution of the agreement referenced in Recital C.

If SMHD fails to terminate this Agreement on or before the Due Diligence Date, by giving written notice to MLF, SMHD shall be deemed to have completed its due diligence and approved the condition of the Property.

5.2 MLF shall perform all its obligations under this Agreement.

5.3 The title insurer shall be prepared to issue the title policy upon the Close of Escrow, subject only to Permitted Exceptions and other matters consented to by SMHD, as provided for in this Agreement. The License Agreement by and between MLF and Kern Community College District is a Permitted Exception.

5.4. Additional MLF Documents. Upon the opening of escrow, MLF shall provide to SMHD the following: copies of surveys, tax bills, as-built mechanical, electrical, and structural plans and specifications (if specifically requested by SMHD), insurance policies of MLF and tenants at the Property, contractor and vendor warranties, a list of personal property used in connection with the operation of the Property, a copy of any notice of any statutory or code violation pertaining to the Property received by MLF in the previous five (5) years and any documents pertaining to the resolution, evidence of satisfaction of all governmental requirements with respect to the use, operation, or transfer of the Property, including without limitation, building permits, certificates of occupancy, and all other contracts or other documents of material importance to the Property or the operation of the Property.

5.5. Co-ownership; Co-tenancy Agreement. Further to the scope of the agreement referenced in Recital C, the agreement is intended to set forth the respective rights and obligations of the parties as equal co-owners and co-tenants of the Property. The scope of the agreement is intended to include and address, without limitation, the following matters: use, occupancy and control of the rentable units; assignment and delegation of management and control over the operations, maintenance and repair of the Property; pre-emptive rights (rights of first refusal); buy-sell provisions; funding of capital improvements and repairs; allocation and distribution of profits and losses from operations; negotiating a new license agreement by and between the parties and Kern Community College District.

6. Closing Obligations of MLF. MLF shall deposit into escrow for delivery to SMHD upon closing each of the following:

6.1. A duly executed and acknowledged grant deed in a form satisfactory to SMHD.

6.2. Proof of termination of any and all tenancies or licenses for use or occupancy of the Property by any third party effective as of on or before the Close of Escrow, except as may be set forth as a Permitted Exception, or as otherwise approved in writing by SMHD.

6.3. Keys and security codes to all units, rooms, storage areas, and other facilities of the Property.

6.4. A duly executed and acknowledged Memorandum of Option and Memorandum of Pre-emptive Rights, each in a form satisfactory to SMHD for recording upon Close of Escrow which provides notice of the Option and Pre-emptive Rights of SMHD pursuant to Section 10.

7. Closing Obligations of SMHD. SMHD shall deposit into escrow for delivery to MLF upon closing each of the following:

7.1. Any remaining cash requirements.

7.2. A further cash deposit of Three Hundred Thousand Dollars (\$300,000.00); not required to be matched by MLF. This sum shall be jointly used by the parties for anticipated maintenance and repair of the building located on the Property, and shall be subject to the terms and provisions of the agreement referenced in Recital C.

8. Warranties by MLF.

8.1. To MLF's knowledge, there exists no pending or threatened litigation involving the Property.

8.2. Other than as a Permitted Exception or as is otherwise provided for in this Agreement, there exist no other individuals or entities who claim any right, title, or interest in and to the Property.

8.3. MLF has received no written notice of any violations of any law, rule, or regulation affecting the Property, which have not been rectified by MLF and which would materially or adversely affect the value or operation of the Property, and to the best of MLF's knowledge, no governmental authority has commenced or is contemplating any investigation regarding any possible violation.

8.4. Except as disclosed to SMHD in writing by MLF prior to the Close of Escrow, MLF has no actual knowledge of (i) the presence, now or at any prior time, of any "Hazardous Substances" located on the Property, (ii) spills of any Hazardous Substances on the Property or from any adjacent property onto the Property, (iii) the use of asbestos or other Hazardous Substances in the construction of any improvements located on the Property, or (iv) any notice of any violation or claimed violation of any law, rule, or regulation relating to Hazardous Substances. "Hazardous Substances" as used herein shall mean petroleum base products, pesticides, paints and solvents, Polychlorinated biphenyl, lead, cyanide, DDT, acids, ammonium compounds, PCB's, asbestos, and other chemical products and any substance or material defined or designated as a hazardous or toxic substance, or other similar term, by any federal, state, or local environmental statute, regulation, or ordinance.

8.5. All water, sewer, gas, electric, telephone, and drainage facilities and all

other utilities required by law and by the normal operation of the Property are installed across public property or valid easements to the property lines of the Property, are all connected with valid permits, and are adequate to service the Property and to permit full compliance with all requirements of law.

8.6. MLF is not a “foreign person” within the meaning of section 1445(f)(3) of the Internal Revenue Code, and as amended, and that MLF shall furnish to SMHD, prior to Closing, an affidavit in a form satisfactory to SMHD confirming the same.

8.7. During the negotiations between the parties prior to execution of this Agreement, there existed a Letter of Intent (“LOI”) pertaining to the potential development and occupancy of a portion of the Property for a National Wounded Warrior Center in conjunction with Disabled Sports of the Eastern Sierra, a nonprofit organization. MLF has obtained and provided to SMHD a written and fully executed termination and extinguishment of the LOI. As result MLF represents that Disabled Sports of the Eastern Sierra has no right, title, or interest in any manner or form whatsoever in and to the Property.

8.8. All representations and warranties of MLF set forth above and in this Agreement shall survive the closing of escrow.

9. Conduct Pertaining to the Property.

9.1. MLF shall not subject the Property or any portion of the Property to any lien, encumbrance, or charge not in existence as of the date of this Agreement and which shall not be eliminated prior to the Close of Escrow at MLF's expense, without the prior written consent of SMHD. Any and all indebtedness of MLF, whether current liabilities, long term liabilities or debt, or otherwise, shall be extinguished by MLF upon the Close of Escrow.

9.2. Insurance. MLF shall use its best efforts to maintain in full force and effect all insurance policies carried on or pertaining to the Property at the same level of coverage as is in effect on the date of this Agreement.

9.3. Alterations and Improvements. MLF shall not make any material alterations of or additions to the Property or any portion of the Property costing in excess of One Thousand Dollars (\$1,000), without the prior written consent of SMHD.

9.4. Maintenance and Repairs. MLF shall keep and maintain the Property in good condition and repair, ordinary wear and tear and fire or other casualty excepted, in the same manner as such Property is maintained by MLF on the date of this Agreement. After the Close of Escrow, the parties shall be responsible for the costs of maintenance and repairs in accordance with the terms and provisions of the agreement referenced in Recital C.

10. Parcel Split of Two (2) Acres; Option and Pre-emptive Rights. MLF desires to split, remove, or parcel off up to two (2) contiguous acres of the Property for purposes unrelated

to the parties and their co-ownership of the Property. This would result through a lot-line adjustment or a parcel split (collectively, the "Parcel Split"). SMHD agrees and consents hereby to the Parcel Split occurring at any time after the Close of Escrow, without SMHD receiving any consideration therefor other than MLF granting to SMHD the Option and Pre-emptive Rights (Rights of First Refusal) provided for the Option Addendum and Pre-emptive Rights (Rights of First Refusal) Addendum, each attached hereto and made a part of this Agreement. SMHD shall execute all documents reasonably requested by MLF to apply for, process, and complete the Parcel Split. The Parcel Split shall be processed by MLF at its sole cost and expense. SMHD shall have the right to approve the scope and area of land to be the subject of the Parcel Split, which approval shall not be unreasonably withheld.

11. Brokers, Agents, Finders. Each party hereby represents and warrants to the other that, in connection with this transaction and the consummation hereof, each such party has dealt with no broker, agent, finder, or other person acting in such capacity. In the event of a breach of the representations and warranties herein, the breaching party shall indemnify, defend, and hold the other party financially free and harmless from any claims, demands, commissions, liabilities, and actions, including attorney's fees and costs, which may be incurred by the non-breaching party.

12. Indemnification and Hold Harmless.

12.1. Except as otherwise provided for in this Agreement, MLF shall indemnify, defend, and hold SMHD financially free and harmless from any and all claims, demands, liabilities, tax assessments (including secured and unsecured property taxes), obligations, and causes of action pertaining to the Property and accruing up to the Close of Escrow, including attorney's fees and costs.

12.2. Except as otherwise provided for in this Agreement, MLF shall indemnify, defend, and hold SMHD, its principals, affiliates, agents, employees, officers, directors and representatives, financially free and harmless from any and all claims, demands, liabilities, actions, causes of action, debts, or any other matter whatsoever which may be asserted by any person or entity arising out of any breach of this Agreement or any negligent or wrongful act or omission on the part of MLF arising out of MLF's performance or non-performance pursuant to this Agreement, including attorney's fees and costs.

12.3. Except as otherwise provided for in this Agreement, SMHD shall indemnify, defend, and hold MLF, its principals, affiliates, agents, employees, officers, directors and representatives, financially free and harmless from any and all claims, demands, liabilities, actions, causes of action, debts, or any other matter whatsoever which may be asserted by any person or entity arising out of any breach of this Agreement or any negligent or wrongful act or omission on the part of SMHD arising out of SMHD's performance or non-performance pursuant to this Agreement, including attorney's fees and costs.

13. Notices. Any notices to be given by either party to the other shall be in writing and shall be transmitted either by (1) personal delivery, (2) mail, registered or certified, postage prepaid

with return receipt requested, (3) by an overnight delivery service (e.g., Federal Express), or (4) by email or facsimile transmission with a confirmation copy by regular mail, first class postage prepaid. Overnight delivery or mailed notices shall be addressed to the parties at the addresses listed below. Email and facsimile notices shall be transmitted to the addresses and telephone numbers listed below. Each party may change that address and facsimile telephone number by giving written notice in accordance with this paragraph. In the event of any mailing, notice shall be deemed given on the 3rd day after deposit. The addresses and facsimile telephone numbers of the parties are as follows:

TO SMHD: Southern Mono Healthcare District
Attn: Melanie Van Winkle, Chief Financial Officer
P.O. Box 660 (U.S. Mail only)
85 Sierra Park Road
Mammoth Lakes, CA 93546
Facsimile Telephone No.: 760.924.4104
Email: melanie.vanwinkle@mammothhospital.com

with a copy to: David S. Baumwohl
A Professional Corporation
P.O. Box 1188 (U.S. Mail only)
126 Old Mammoth Road, Suite #220
Mammoth Lakes, CA 93546
Facsimile Telephone No.: 760.934.2600
Email: david@baumwohl.com

TO MLF: Mammoth Lakes Foundation
Attn: Evan Russell, Chief Executive Officer
P.O. Box 1815 (U.S. Mail only)
100 College Parkway
Mammoth Lakes, CA 93546
Facsimile Telephone No.: 760.934.6019
Email: evanr@mammothlakesfoundation.org

Mammoth Lakes Foundation
Attn: Richard Boccia, Executive Director
P.O. Box 1815 (U.S. Mail only)
100 College Parkway
Mammoth Lakes, CA 93546
Facsimile Telephone No.: 760.934.6019
Email: rich@mammothlakesfoundation.org

14. Attorney's Fees and Costs. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which that

party may be entitled.

15. Integration. It is intended by the parties that this Agreement be the final expression of the intentions and agreements of the parties. This Agreement supersedes any and all prior or contemporaneous agreements, either oral or in writing, between the parties hereto and contains all of the covenants and agreements between the parties. No other agreements, representations, inducements, or promises, not contained in this Agreement shall be valid or binding. Any modification of this Agreement shall be effective only if it is in writing and signed by the party to be charged.

16. Effect of Waiver. The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other party shall not be deemed a waiver of that term, covenant, or condition, nor shall any waiver or relinquishment of any right or power, at any one time or times, be deemed a waiver or relinquishment of that right or power for all or any other times.

17. Partial Invalidity. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

18. Governing Law, Venue. This Agreement shall be interpreted under the laws of the State of California. Exclusive venue for any legal action shall be Mono County, California.

19. Remedies. Enforcement of any provision of this Agreement shall be by proceedings at law or in equity against any persons or entities violating or attempting to violate any promise, covenant, or condition contained herein, either to restrain violation, compel action, or to recover damages. Any and all remedies provided by this Agreement, operation of law, or otherwise, shall be deemed to be cumulative, and the choice or implementation of any particular remedy shall not be deemed to be an election of remedies to the mutual exclusion of any other remedy provided for herein, by operation of law, or otherwise.

20. Attorney Representation. SMHD has retained the Law Offices of David S. Baumwohl, a Professional Corporation to advise it in connection with the negotiation and execution of this Agreement. MLF has retained Richard W. Liebersbach of Liebersbach, Mohun, Carney & Reed to advise it in connection with the negotiation and execution of this Agreement.

21. Joint Preparation. This Agreement shall be deemed to be jointly prepared by all parties hereto. In connection therewith, the provisions of Civil Code §1654 shall not be deemed applicable in the event of any interpretation of this Agreement.

22. Execution of Documents; Further Assurances. Each party shall execute all documents and take all actions reasonably necessary to carry out the terms and provisions of this Agreement, including those items to occur subsequent to Closing.

23. No Third-Party Beneficiaries. No person other than SMHD and MLF and their permitted successors and assigns shall have any standing or right of action under this Agreement.

24. Time. Time is expressly declared and made of the essence of each performance obligation under this Agreement.

25. MLF Statement of Authority. MLF represents and warrants it is a corporation in good standing. MLF has obtained all necessary corporate authority, approvals, and consents, and MLF has prepared all necessary resolutions for MLF to be a party to and participate in this transaction, including the making and entering into of this Agreement and the authority of the signatory officer(s) hereto.

26. SMHD Statement of Authority. MLF as a public agency has engaged in a Brown Act required public process and has obtained all necessary SMHD Board authority, approvals, and consents, and SMHD has prepared all necessary resolutions for SMHD to be a party to and participate in this transaction, including the making and entering into of this Agreement and the authority of the signatory officer(s) hereto.

27. Counterparts; Facsimile Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. In addition, this Agreement may contain more than one counterpart of the signature page and may be executed by the affixing of the signatures of each of the parties to any one of such counterpart signature pages; all of such counterpart signature pages shall read as though one and they shall have the same force and effect as though all of the signers had signed a single signature page. Facsimile signature pages shall be deemed original signature pages and shall be admissible as the same in a court or other tribunal as though such were originals.

* * * END OF TEXT * * *

IN WITNESS WHEREOF, the parties hereto have executed this instrument on the day and year first above written.

SOUTHERN MONO HEALTHCARE DISTRICT

BY: _____
Christopher Ryan Wood, Chair of Board of Directors

MAMMOTH LAKES FOUNDATION

BY: _____
Evan Russell, Chief Executive Officer

CO-TENANCY AGREEMENT

THIS AGREEMENT is made this 21st day of June, 2018, at the Town of Mammoth Lakes, County of Mono, State of California, by and between, Mammoth Lakes Foundation, a California Public Benefit Corporation ("MLF"), and Southern Mono Healthcare District ("SMHD").

Recitals

A. SMHD is a Local Health Care District duly organized and existing under the laws of the State of California and more specifically pursuant to the Local Health Care District Law, Health and Safety Code §§32000, et seq.

B. MLF is the owner of a parcel of real property, consisting of approximately 11 acres and including improvements, located at 121 College Parkway, Mammoth Lakes, California 93546. This real property is legally described on Exhibit "A" attached hereto and made a part hereof; Assessor's Parcel No. 35-110-015 (the "Property"). The Property may in the future exclude up to 2 acres in the event of completion of the Parcel Split as provided for in the Purchase Agreement (as referenced and defined in Recital C).

C. MLF and SMHD are parties to an agreement of the same date hereof for the purchase and sale of the Property (the "Purchase Agreement"). SMHD will acquire from MLF an undivided 50% interest in and to the Property. As provided for in the Purchase Agreement, the parties are entering into this Agreement pertaining to the co-ownership, co-tenancy, operation, use, occupancy, and management of the Property, with this Agreement to take effect upon the Close of Escrow, as is provided for in the Purchase Agreement.

D. The parties are not forming a general partnership or a joint venture, nor do they intend to be governed by the applicable partnership provisions of the California Corporations Code. This co-tenancy is being formed for the limited purpose of the acquisition of a 50% interest in the Property by SMHD, and for the specific purposes set forth in the Purchase Agreement and this Agreement.

Agreement

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS, CONDITIONS, AND PROMISES CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

1. Purpose. The purpose of this Agreement is to jointly own, operate, use, occupy, maintain, and manage the Property. The specification of this particular purpose shall be deemed a specific limitation upon the general powers of the parties to conduct or undertake other activities, whether or not related to this stated, initial purpose of this Agreement.

2. Term. This Agreement shall commence upon the Close of Escrow, as is provided for in the Purchase Agreement, and shall continue so long as the parties, and each of them, retain an ownership interest in the Property. At such time as all of the parties no longer have an interest

in the Property, this Agreement shall terminate.

3. Property Management by SMHD. SMHD shall, without compensation, be the managing owner of the Property. Except as expressly provided otherwise in this Agreement, SMHD shall have exclusive control over the Property and shall have all rights, powers, and authority to transact business on behalf of the parties. Without limiting the generality of the foregoing and subject to the limitations set forth in this Agreement, SMHD shall have the exclusive right to do the following on behalf of the parties.

3.1. SMHD shall maintain a designated operating account and separate books and records pertaining to the management of the Property.

3.2. SMHD may acquire assets, incur expenses, and engage vendors, suppliers and contractors, and providers of professional services, all on such terms and conditions as SMHD deems, in its sole discretion, to be in the best interests of the parties.

3.3. SMHD shall manage the multi-unit residential apartment building located on the Property (the "Housing Building"). SMHD shall retain all rental revenue and pay all expenses related solely to the Housing Building. Any surplus from rental activities shall be retained exclusively by SMHD, and any deficit shall be exclusively borne by SMHD.

4. Housing Building Operations. SMHD shall operate and manage the Housing Building within its sole and absolute discretion, subject to the following terms and provisions.

4.1. MLF shall have the first right of occupancy of 50% of the number of vacant units, as of August 1 or each calendar year, for KCCD student residential housing. All remaining units in the Housing Building shall be within the exclusive control of SMHD. For any of the foregoing units not occupied by KCCD students as of August 31 during each calendar year, then commencing September 1 of that calendar year, SMHD shall have exclusive control over tenancies and occupancy.

4.2. For all units within the exclusive control of SMHD, tenancies may include any combination of transient occupancy (i.e., less than 30 days, subject to compliance with the Town of Mammoth Lakes transient occupancy licensing, permitting, and taxing ordinances), long-term (i.e., 30 days or longer), and SMHD employee or contractor housing. All tenancies must terminate not later than July 31 of the next calendar year so that MLF may exercise its rights set forth in Section 4.1. The foregoing tenancies and occupancies must be in compliance with the designated zoning for the Property.

4.3. Rental rates shall be set by SMHD, subject to rates not being substantially, materially different as between KCCD students and other tenants or occupants.

4.4. Recruiting of students for occupancy of the designated student housing units shall be within the exclusive purview and authority of MLF. All costs and expenses incurred by MLF, including employment of any personnel, shall be borne solely by MLF. Any personnel employed by MLF shall be employees of MLF.

5. Capital Accounts.

5.1. As of the Close of Escrow pursuant to the Purchase Agreement, the capital accounts of the parties as to their respective equal (i.e., 50%) ownership interests in and to the Property shall be as follows: SMHD, \$3,530,000.00; MLF, \$3,530,000.00.

5.2. As provided for in Section 7.2 of the Purchase Agreement, SMHD shall make a cash deposit of Three Hundred Thousand Dollars (\$300,000.00); not required to be matched by MLF. This sum shall be jointly used by the parties for anticipated maintenance and repair of the building located on the Property. This sum is applicable to the capital account of SMHD and is reflected in the SMHD capital account in Section 5.1. Upon exhaustion of the foregoing sum, the parties shall equally share all costs and expenses related to the co-ownership, co-tenancy, use, operation, occupancy, and management of the Property, except for the Housing Building as provided for Section 3.3.

5.3. Upon the sale of the Property by the parties, the net proceeds of sale (after deduction for all costs of sale, e.g., real estate commissions, escrow and title insurance, and other normal and customary closing costs) shall be distributed to the parties in accordance with the proportions of their respective capital accounts. Should the then capital accounts of the parties not be equal, then the capital accounts proportions shall prevail over the record title interests of the parties.

6. Additional Capital Contributions. Whenever it is determined by SMHD that additional capital contributions are necessary for improving or maintaining the Property, SMHD shall give MLF written notice setting forth details of the need and reasonably estimated costs. The parties shall meet and confer and complete the meet and confer process within ten (10) days of the service of the written notice. Should the parties fail to agree on the details, SMHD's decision shall be final and binding on the parties. Additional capital contributions shall be payable in cash no later than ten (10) days from the date of SMHD serving written notice of the final details.

7. Remedies Upon Failure to Contribute Additional Capital. Upon the failure of any party to contribute in full its proportionate share of additional capital contributions, the non-defaulting party shall have the right, but not the obligation, to contribute the additional capital required on behalf of the defaulting party which shall thereupon result in readjustments in the proportionate shares in the capital accounts of the parties after such additional capital contributions are made by the non-defaulting party. At any time within ninety (90) days after the additional capital contribution was made on behalf of a defaulting party, such defaulting party shall have the right to readjust its proportionate share in the capital accounts as if the additional capital contribution had been timely made by repayment to the non-defaulting party of the amounts paid by it on behalf of the defaulting party together with interest on such amount at the rate of 12% per annum. Interest shall accrue at such rate from the date of payment by the non-defaulting party to the date of repayment by the defaulting party.

8. Kern Community College District ("KCCD") License Agreement (Student

Parking). MLF for the benefit of the Property is Licensee, with KCCD being the licensor, pursuant to an undated License Agreement for student parking. The agreement was scheduled to expire May 31, 2018. The agreement has been extended to September 30, 2018. The parties shall jointly negotiate for a new license agreement in favor of the parties as co-owners of the Property.

9. No Encumbrances. Neither party shall have the right to encumber the Property without the prior written approval of both parties.

10. Restrictions on Transfer of Ownership Interests. Should either party receive a bona fide offer to sell, assign, convey, or otherwise transfer all or any part of a party's ownership interest in the Property, and should the selling party be willing to accept the offer, the non-selling party shall have the Rights of First Refusal/Pre-emptive Rights being deemed hereby applicable to the Property and as set forth in the PRE-EMPTIVE RIGHTS (RIGHTS OF FIRST REFUSAL) ADDENDUM attached to the Purchase Agreement (the "RFR"), with the RFR expressly being a part of this Agreement.

11. Reciprocal Buy/Sell Rights. Any party (the "Offering Party") desiring to acquire the full ownership interest of the other party shall give the other party (the "Receiving Party") written notice of the Offering Party's cash offer. The Receiving Party shall then have the following options: (i) The Receiving Party may accept the offer; (ii) The Receiving Party may compel the Offering Party to sell the Offering Party's interest upon the same terms; or (iii) The Receiving Party may have the fair market value of the Receiving Party's interest determined by appraisal, as provided for in this Section. The Receiving Party's election shall be made in writing with twenty (20) days of the date of service of the Offering Party's offer. Should the Receiving Party fail to timely respond and make its election, then the Receiving Party is deemed to have accepted the Offering Party's offer (option (i)).

Should option (iii) be timely chosen by the Receiving Party, then the fair market value of the Property shall be determined by an independent appraiser selected jointly by the parties. The determination of fair market value by that appraiser shall be binding and conclusive on the parties. Should the parties be unable to agree on an independent appraiser within twenty (20) days, then each party shall select an independent appraiser not later than twenty (20) days after the foregoing twenty (20) day period. The two appraisers selected by the parties shall each independently appraise the Property and provide a good faith, supportable appraisal. The fair market value shall be conclusively deemed to equal the average of the two appraisals. If either party fails to select an independent appraiser within the time required hereby, the fair market value of the Property shall be conclusively deemed to equal the appraisal of the independent appraiser timely selected by the other party.

The parties shall share equally the fees and expenses of the appraiser(s) jointly named, but each party shall be responsible for the fees and expenses of any appraiser designated solely by that party. All appraisers shall be California licensed real estate appraisers, with demonstrated experience in appraising commercial real property located in the Town of Mammoth Lakes. The Receiving Party's interest (the purchase price) shall be the ownership percentage interest of the fair market value of the Property, as determined the capital accounts in Section 5.3.

12. Insurance. SMHD, as an expense of the parties, shall at all times during the term of this Agreement procure and maintain all necessary insurance, including without limitation, a commercial general liability insurance policy, including the following coverage: workers compensation for services provided by third parties to and for the benefit of the Property, full replacement cost, general liability per occurrence of not less than \$1,000,000, fire, theft, and casualty loss at full replacement cost. All such insurance shall provide that the parties are each a named or additionally named insured. Insurance shall be maintained with a carrier licensed by the State of California Department of Insurance with a Best rating of not less than "A". Upon reasonable request by MLF, SMHD shall provide certificates of insurance or other proof of coverage within fifteen (15) days of any such request. SMHD shall immediately notify MLF of any change or cancellation of any insurance policy in effect pursuant to this Agreement. In the event any notice of cancellation is given to SMHD, SMHD shall reinstate all such insurance within thirty (30) days of such notice.

13. Notices. Any notices to be given by either party to the other shall be in writing and shall be transmitted either by (1) personal delivery, (2) mail, registered or certified, postage prepaid with return receipt requested, (3) by an overnight delivery service (e.g., Federal Express), or (4) by email or facsimile transmission with a confirmation copy by regular mail, first class postage prepaid. Overnight delivery or mailed notices shall be addressed to the parties at the addresses listed below. Email and facsimile notices shall be transmitted to the addresses and telephone numbers listed below. Each party may change that address and facsimile telephone number by giving written notice in accordance with this paragraph. In the event of any mailing, notice shall be deemed given on the 3rd day after deposit. The addresses and facsimile telephone numbers of the parties are as follows:

TO SMHD: Southern Mono Healthcare District
Attn: Melanie Van Winkle, Chief Financial Officer
P.O. Box 660 (U.S. Mail only)
85 Sierra Park Road
Mammoth Lakes, CA 93546
Facsimile Telephone No.: 760.924.4104
Email: melanie.vanwinkle@mammothhospital.com

with a copy to: David S. Baumwohl
A Professional Corporation
P.O. Box 1188 (U.S. Mail only)
126 Old Mammoth Road, Suite #220
Mammoth Lakes, CA 93546
Facsimile Telephone No.: 760.934.2600
Email: david@baumwohl.com

TO MLF: Mammoth Lakes Foundation
Attn: Evan Russell, Chief Executive Officer
P.O. Box 1815 (U.S. Mail only)
100 College Parkway

Mammoth Lakes, CA 93546
Facsimile Telephone No.: 760.934.6019
Email: evanr@mammothlakesfoundation.org

Mammoth Lakes Foundation
Attn: Richard Boccia, Executive Director
P.O. Box 1815 (U.S. Mail only)
100 College Parkway
Mammoth Lakes, CA 93546
Facsimile Telephone No.: 760.934.6019
Email: rich@mammothlakesfoundation.org

14. Mediation; Meet and Confer. The parties shall be required to mediate any disputes arising out of a claim of breach or default of the Agreement prior to initiating any litigation or other legal action (including arbitration). Mediation shall not apply where injunctive relief, provisional remedies, or declaratory relief is sought by either party and immediate relief is necessary. In the event of a dispute between the parties, the party determining the existence of a dispute shall provide the other party with written notice setting forth with reasonable specificity the nature and extent of the dispute. The parties shall then engage in an informal meet and confer process, which shall be completed within ten (10) days after either party serves the written notice. Should the meet and confer process not resolve the dispute, then either party may elect to proceed to mediation. The parties shall have ten (10) days after the requesting party serves written notice of a request for mediation to agree upon a mediator. Failing an agreement, the parties shall retain the JAMS mediation services, Los Angeles office, as the mediator. The cost of mediation shall be shared equally by the parties.

15. Attorney's Fees and Costs. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which that party may be entitled.

16. Integration. It is intended by the parties that this Agreement be the final expression of the intentions and agreements of the parties. This Agreement supersedes any and all prior or contemporaneous agreements, either oral or in writing, between the parties hereto and contains all of the covenants and agreements between the parties. No other agreements, representations, inducements, or promises, not contained in this Agreement shall be valid or binding. Any modification of this Agreement shall be effective only if it is in writing and signed by the party to be charged.

17. Effect of Waiver. The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other party shall not be deemed a waiver of that term, covenant, or condition, nor shall any waiver or relinquishment of any right or power, at any one time or times, be deemed a waiver or relinquishment of that right or power for all or any other times.

18. Partial Invalidity. If any provision in this Agreement is held by a court of competent

jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

19. Governing Law, Venue. This Agreement shall be interpreted under the laws of the State of California. Exclusive venue for any legal action shall be Mono County, California.

20. Remedies. Enforcement of any provision of this Agreement shall be by proceedings at law or in equity against any persons or entities violating or attempting to violate any promise, covenant, or condition contained herein, either to restrain violation, compel action, or to recover damages. Any and all remedies provided by this Agreement, operation of law, or otherwise, shall be deemed to be cumulative, and the choice or implementation of any particular remedy shall not be deemed to be an election of remedies to the mutual exclusion of any other remedy provided for herein, by operation of law, or otherwise.

21. Attorney Representation. SMHD has retained the Law Offices of David S. Baumwohl, a Professional Corporation to advise it in connection with the negotiation and execution of this Agreement. MLF has retained Richard W. Liebersbach of Liebersbach, Mohun, Carney & Reed to advise it in connection with the negotiation and execution of this Agreement.

22. Joint Preparation. This Agreement shall be deemed to be jointly prepared by all parties hereto. In connection therewith, the provisions of Civil Code §1654 shall not be deemed applicable in the event of any interpretation of this Agreement.

23. Execution of Documents; Further Assurances. Each party shall execute all documents and take all actions reasonably necessary to carry out the terms and provisions of this Agreement.

24. No Third-Party Beneficiaries. No person other than SMHD and MLF and their permitted successors and assigns shall have any standing or right of action under this Agreement.

25. Counterparts; Facsimile Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. In addition, this Agreement may contain more than one counterpart of the signature page and may be executed by the affixing of the signatures of each of the parties to any one of such counterpart signature pages; all of such counterpart signature pages shall read as though one and they shall have the same force and effect as though all of the signers had signed a single signature page. Facsimile signature pages shall be deemed original signature pages and shall be admissible as the same in a court or other tribunal as though such were originals.

* * * END OF TEXT * * *

IN WITNESS WHEREOF, the parties hereto have executed this instrument on the day and year first above written.

SOUTHERN MONO HEALTHCARE DISTRICT

BY: _____
Christopher Ryan Wood, Chair of Board of Directors

MAMMOTH LAKES FOUNDATION

BY: _____
Evan Russell, Chief Executive Officer

PRE-EMPTIVE RIGHTS (RIGHTS OF FIRST REFUSAL) ADDENDUM

1 Grant of Rights of First Refusal/Preemptive Rights. MLF hereby grants and conveys to SMHD rights of first refusal and preemptive rights ("RFR") to the portion of the Property that becomes the Parcel Split pursuant to Section 10 of the Agreement (the "Parcel Split Property") as follows.

1.1. MLF shall not sell or agree to sell the Parcel Split Property during the term of this RFR, without first offering the Parcel Split Property to SMHD. In the context of this RFR, the term "sell" shall include any transfer, conveyance, grant, assignment, lease, hypothecation, or pledge of the Parcel Split Property or the interest of MLF, or either of them, therein, except for: (1) a conveyance or transfer by gift, devise, bequest, or inheritance, or (2) a lease not to exceed a month-to-month tenancy. In the event of a conveyance or transfer by gift, bequest, devise, or inheritance, the rights of first refusal of SMHD hereby shall remain in full force and effect against any such person or entity holding title or any other interest in the Parcel Split Property. (See the exception in paragraph 1.6.)

1.2. In the event MLF receive an offer to sell from any party or in the event MLF agrees or desire to sell the Parcel Split Property, MLF shall first offer (herein the "Proposed Offer") to sell the Parcel Split Property to SMHD, in writing and on terms and conditions substantially identical to those proposed for the sale of the Parcel Split Property to the third party. The Proposed Offer shall, at a minimum, include the following information.

- (1) The amount of the purchase price.
- (2) The method of payment of the purchase price, including, without limitation, all consideration to be given, terms of promissory notes, terms of security to be granted, exchange information, any and all financing information, etc.
- (3) A scheduling of all deposits, increases in deposits, and funds to be paid outside of escrow, if any.
- (4) The name, address, and telephone number of the escrowholder, the escrow file number, if any, the proposed time and location for closing of escrow.
- (5) The name and address of the proposed purchaser, and if the proposed purchaser consists of more than one person or entity, each such person or entity shall be similarly identified and designated.
- (6) All other material terms and conditions of the proposed sale of the Parcel Split Property.

1.3. After MLF provides SMHD with written notice of the Proposed Offer as provided for herein, SMHD shall have sixty (60) days from the date of giving notice as prescribed in this Agreement to accept the Proposed Offer by delivering to MLF, in writing, notice of acceptance of the Proposed Offer. In the event SMHD fails to accept the Proposed Offer in a timely manner as provided for herein, the Proposed Offer shall be deemed to have been rejected by SMHD, and thereafter, MLF may sell the Parcel Split Property to the designated purchaser in strict accordance with the terms and conditions set forth in the Proposed Offer.

1.4. In the event the designated purchaser or MLF changes, alters, amends, or otherwise modifies any term or condition of the Proposed Offer, then any such change shall be deemed a new Proposed Offer and shall be submitted to SMHD in writing in accordance with the provisions of Section 1.2 above. Thereafter, SMHD shall have the option to consider the original Proposed Offer or the changed Proposed Offer with the 60-day period to commence upon giving notice from MLF to SMHD of the changed Proposed Offer.

1.5. In the event SMHD accepts the Proposed Offer (or any changed Proposed Offer as provided for herein), the parties shall open escrow within fifteen (15) days after SMHD gives written notice of acceptance as provided for herein.

1.6. This RFR shall not apply to any lease or sale of the Parcel Split Property to Disabled Sports of the Eastern Sierra, a nonprofit organization (“DSES”), for a National Wounded Warrior Center.

2. Opening of Escrow. Within five (5) working days after receipt by MLF of SMHD’s acceptance, the parties shall cause escrow to be opened for the implementation of this Agreement and the transfer of the Parcel Split Property with Inyo-Mono Title Company, Mammoth Lakes Branch (“Escrow”).

3. Material Terms of Escrow. The parties agree that the following provisions shall be material terms of Escrow to be incorporated into the Escrow Instructions prepared by and delivered to Inyo-Mono Title Company (“Escrowholder”), which shall act as Escrowholder.

3.1. Within five (5) working days after receipt by them of Escrow Instructions, MLF and MLF shall sign and return such Escrow Instructions to Escrowholder.

3.2. Escrow shall close not later than sixty (60) days after opening of Escrow.

3.3. Not less than five (5) days prior to the Closing date of Escrow, MLF shall place all documents and instruments into Escrow required on its part to enable Escrow to close in a timely manner, or otherwise required to be deposited into Escrow by SMHD, including a duly signed and notarized Grant Deed.

3.4. Not less than two (2) days prior to the closing date of Escrow, SMHD shall place all documents and instruments into Escrow necessary for Escrow to close in a timely manner,

including, but not limited to:

3.4.1. Cash or its equivalent in the amount of the purchase price of the subject Property.

3.5. Vesting shall be provided to Escrow by SMHD with delivery of SMHD's signed Escrow Instructions.

3.6. Title is to be delivered by MLF to SMHD free of liens, encumbrances, easements, restrictions, rights and conditions of record or known to MLF other than current property taxes, and all covenants, conditions, restrictions, and easements, rights and conditions of record (the "Permitted Exceptions"). MLF shall furnish to SMHD at MLF's expense a standard California Land Title Association (CLTA) policy issued by Inyo-Mono Title Company, showing title vested in SMHD or as designated in Section 6.5, subject only to the above. SMHD shall have ten (10) business days after receipt of a current preliminary title report furnished at the expense of MLF to disapprove any title exceptions, by giving written notice of such disapproval to MLF. If MLF is unwilling or unable to eliminate any title matter disapproved by SMHD as set forth above, SMHD may elect to terminate this RFR. SMHD may elect to obtain an American Land Title Association (ALTA) policy, provided that the closing date is not delayed as a result. In such event, SMHD shall pay the premium amount in excess of the premium (including all costs associated therewith such as engineering fees, survey fees) for the CLTA policy referenced above.

3.7. Property taxes and any other related items or expenses shall be prorated as of the Close of Escrow. Any bond or assessment which is a lien against the Parcel Split Property shall be paid by MLF. Transfer taxes, if any, shall be paid by MLF.

3.8. Possession and occupancy of the Parcel Split Property shall be delivered to SMHD upon Close of Escrow.

3.9. The fees of Escrowholder shall be borne 50% by MLF and 50% by SMHD. All other escrow fees and costs shall be allocated to the party incurring the specific item; such items including without limitation, delivery charges (Federal Express and UPS), wire fees, notary and recording fees, and document preparation fees.

4. Term. The term of this RFR shall commence as of the date hereof and shall continue so long as MLF has any ownership interest in the Parcel Split Property, or upon the expiration of the Option Addendum, whichever shall first occur.

5. Assignment. The rights of SMHD herein shall be fully assignable. SMHD shall provide written notice to MLF of any such assignment.

6. Automatic Termination. If SMHD fails to exercise its rights in accordance with its terms and within the term of this RFR, then this RFR and the rights of SMHD shall automatically and immediately terminate without notice. Thereafter, SMHD agrees that it will properly execute,

acknowledge, and deliver to MLF within five (5) days of request therefor, a release, quitclaim deed, or any other documents required by MLF or a title insurance company to verify the termination of this RFR.

7. Real Estate Commissions. MLF is advised to exclude SMHD in any listing agreement between MLF and a real estate broker so that MLF is not obligated to pay a commission in the event of a transfer of the Parcel Split to SMHD pursuant to this RFR. In the event of a claim by a third party of entitlement to compensation due to an alleged agreement with MLF for such payment, MLF shall indemnify, defend, and hold SMHD financially free and harmless from any claims, demands, commissions, liabilities, and actions, including attorney's fees and costs.

8. Memorandum of Rights of First Refusal: A Memorandum of this RFR shall be recorded in the office of the County Recorder of Mono County in the form in a form presented and requested by SMHD and approved by Inyo Mono Title Company.

OPTION ADDENDUM

1. Grant of Option. MLF hereby grants to SMHD the right to purchase (the "Option"), without being obligated to purchase, an undivided 50% interest, as a tenant in common, in the portion of the Property that becomes the Parcel Split pursuant to Section 10 of the Agreement (the "Parcel Split Property").

1.1. SMHD shall have the right pursuant to this Option to acquire from MLF the Parcel Split Property.

1.2. The purchase price for the Parcel Split Property shall be on a per acre basis at \$200,000.00 per acre. By way of example, if the 50% interest is for 2 acres, then the total purchase price shall be \$400,000.00.

1.3. The Option shall not take effect unless or until any rights granted or conveyed by MLF to Disabled Sports of the Eastern Sierra, a nonprofit organization ("DSES"), for a National Wounded Warrior Center have been terminated and extinguished. These future rights of DSES shall not be created by MLF until MLF is vested with 100% of the record fee title interest in and to the Parcel Split Property.

2. Property Purchase Price and Terms:

2.1. The total purchase price shall be paid as follows.

2.2. SMHD shall deposit into escrow upon opening the sum of Five Thousand Dollars (\$5,000.00), which shall be applied to the purchase price upon the Close of Escrow.

2.3. SMHD shall deposit into escrow by closing the balance of the purchase price in cash, together with sufficient funds to cover SMHD's share of closing costs.

3. Option Period. The Option period shall commence as of the date set forth in Section 1.3 and shall continue for thirty-six (36) months from that date. The Option period shall terminate upon the Close of Escrow, or upon the expiration of the Option period, whichever shall first occur. Thereafter, SMHD agrees that it will properly execute, acknowledge, and deliver to MLF within five (5) days of a request therefor a release, quitclaim deed, or any other documents reasonably required by MLF or a title insurance company to verify the termination of this Option.

4. Exercise of Option. SMHD may exercise this Option by giving written notice of exercise to MLF as provided for herein and the Agreement.

5. Opening of Escrow. Within five (5) working days after exercise of this Option, the parties shall cause escrow to be opened for the implementation of this Agreement and the transfer of the Parcel Split Property with Inyo-Mono Title Company, Mammoth Lakes Branch ("Escrow").

6. Material Terms of Escrow. The parties agree that the following provisions shall be

material terms of Escrow to be incorporated into the Escrow Instructions prepared by and delivered to Inyo-Mono Title Company (“Escrowholder”), which shall act as Escrowholder.

6.1. Within five (5) working days after receipt by them of Escrow Instructions, MLF and MLF shall sign and return such Escrow Instructions to Escrowholder.

6.2. Escrow shall close not later than sixty (60) days after opening of Escrow.

6.3. Not less than five (5) days prior to the Closing date of Escrow, MLF shall place all documents and instruments into Escrow required on its part to enable Escrow to close in a timely manner, or otherwise required to be deposited into Escrow by SMHD, including a duly signed and notarized Grant Deed.

6.4. Not less than two (2) days prior to the closing date of Escrow, SMHD shall place all documents and instruments into Escrow necessary for Escrow to close in a timely manner, including, but not limited to:

6.4.1. Cash or its equivalent in the amount of the purchase price of the subject Property.

6.5. Vesting shall be provided to Escrow by SMHD with delivery of SMHD’s signed Escrow Instructions.

6.6. Title is to be delivered by MLF to SMHD free of liens, encumbrances, easements, restrictions, rights and conditions of record or known to MLF other than current property taxes, and all covenants, conditions, restrictions, and easements, rights and conditions of record (the “Permitted Exceptions”). MLF shall furnish to SMHD at MLF’s expense a standard California Land Title Association (CLTA) policy issued by Inyo-Mono Title Company, showing title vested in SMHD or as designated in Section 6.5, subject only to the above. SMHD shall have ten (10) business days after receipt of a current preliminary title report furnished at the expense of MLF to disapprove any title exceptions, by giving written notice of such disapproval to MLF. If MLF is unwilling or unable to eliminate any title matter disapproved by SMHD as set forth above, SMHD may elect to terminate this Option. SMHD may elect to obtain an American Land Title Association (ALTA) policy, provided that the closing date is not delayed as a result. In such event, SMHD shall pay the premium amount in excess of the premium (including all costs associated therewith such as engineering fees, survey fees) for the CLTA policy referenced above.

6.7. Property taxes and any other related items or expenses shall be prorated as of the Close of Escrow. Any bond or assessment which is a lien against the Parcel Split Property shall be paid by MLF. Transfer taxes, if any, shall be paid by MLF.

6.8. Possession and occupancy of the Parcel Split Property shall be delivered to SMHD upon Close of Escrow.

6.9. The fees of Escrowholder shall be borne 50% by MLF and 50% by SMHD.

All other escrow fees and costs shall be allocated to the party incurring the specific item; such items including without limitation, delivery charges (Federal Express and UPS), wire fees, notary and recording fees, and document preparation fees.

7. Warranties by MLF. MLF hereby warrants and represents to SMHD each of the following shall apply at the time of close of escrow:

7.1. In the event improvements are made to the Parcel Split Property, all improvements made to the Parcel Split Property by MLF shall conform to existing state and local laws, ordinances, and regulations.

7.2. There exists no pending or threatened litigation involving the Parcel Split Property.

7.3. Other than the parties to this Agreement, there exists no other individuals or entities who claim any right, title, or interest in and to the Parcel Split Property.

7.4. There are no material defects in the Parcel Split Property. MLF has received no written notice from any governmental authority, any insurance company, or any board of fire underwriters or commissioners or any governmental or regulatory body exercising similar functions with respect to the need for any material repairs, alterations, or replacements to or of the Parcel Split Property.

7.5. MLF has received no written notice of any violations of any law, rule, or regulation affecting the Parcel Split Property, which has not been rectified by MLF and which would materially or adversely affect the value or occupancy of the Parcel Split Property, and to the best of MLF's knowledge, no governmental authority has commenced or is contemplating any investigation regarding any possible violation.

7.6. Except as disclosed to SMHD in writing by MLF prior to the Close of Escrow, MLF has no actual knowledge of (i) the presence, now or at any prior time, of any "Hazardous Substances" located on the Parcel Split Property, (ii) spills of any Hazardous Substances on the Parcel Split Property or from any adjacent property onto the Parcel Split Property, (iii) the use of asbestos or other Hazardous Substances in the construction of any improvements located on the Parcel Split Property, or (iv) any notice of any violation or claimed violation of any law, rule, or regulation relating to Hazardous Substances. "Hazardous Substances" as used herein shall mean petroleum base products, pesticides, paints and solvents, Polychlorinated biphenyl, lead, cyanide, DDT, acids, ammonium compounds, PCB's, asbestos, and other chemical products and any substance or material defined or designated as a hazardous or toxic substance, or other similar term, by any federal, state, or local environmental statute, regulation, or ordinance.

8. Assignment. The option rights of SMHD herein shall be fully assignable. SMHD shall provide written notice to MLF of any such assignment.

9. Memorandum of Option. A Memorandum of Option shall be recorded in the office

of the County Recorder of Mono County in a form presented and requested by SMHD and approved by Inyo Mono Title Company.

**Mammoth Lakes Foundation
Executive Committee
Agenda Action Sheet**

Executive Committee Meeting Date: June 27, 2018

Date Prepared: June 21, 2018

Prepared by: Rich Boccia; Executive Director
Mammoth Lakes Foundation

Title: Annual Accountant Engagement Letter

Recommended Motion:

It is recommended that the Mammoth Lakes Foundation Executive Committee review and consider the annual engagement letter with Amy Graham, a Certified Public Accountant that provides accounting services for Mammoth Lakes Foundation.

Background Information:

Amy Graham CPA has been providing accounting services to Mammoth Lakes Foundation over these past years.

The purpose of an engagement letter is the contract between the client and the accountant that defines the scope of work and the responsibilities and obligations of each of the respective parties.

There is evidence to indicate that it has been multiple years since there has been an agreed upon and approved engagement letter that outlines the professional services that an accountant will provide to Mammoth Lakes Foundation.

The annual cost for these services is not to exceed \$32,496.

It is recommended that the MLF Executive Committee approved this letter of engagement with Amy Graham CPA for FY18-19.

Funds Available: Yes

Account Number: 70263

Our mission is to support higher education and cultural enrichment in the Eastern Sierra

Amy Graham, CPA
PO Box 8821 Mammoth Lakes, CA 93546
(760) 937-1506 (760) aggrahamcpa@gmail.com

Mammoth Lakes Foundation
PO Box 1815
Mammoth Lakes Foundation

Dear Board of Directors:

Amy Graham, CPA is pleased to provide the following professional services described below. This letter is to confirm our understanding of the terms and objectives of the engagement and the nature and limitations of the services I am able to provide. I will perform my services in accordance with the Statement on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

SCOPE OF THE ENGAGEMENT:

The following summarizes the bookkeeping services I will provide to for your Mammoth Lakes Foundation (MLF) for the year ended June 30, 2019:

On a monthly basis, I will perform the following services:

- Enter all invoice information into QuickBooks, write checks and present to Executive Director for review and signing
- Prepare semi-monthly payroll and pay IRS and EDD taxes online
- Prepare all necessary journal entries for accruals and prepaids, wage and payroll tax reclass
- Enter all information from Donor Perfect into QuickBooks
- Reconcile QuickBooks to Donor Perfect
- Prepare monthly financial statements – see further information in this letter
- Review, analyze and reconcile general ledger accounts for accuracy
- Maintain fixed assets records in Lacerte
- Work with Hospital staff to transition bookkeeping services for apartments over to Mammoth Hospital
- Various other duties requested by management

On a quarterly basis, I will prepare all payroll quarterly reports and reconcile to QuickBooks and file and pay with the Board of Equalization quarterly.

On an annual basis, I will reconcile all payroll tax returns with the payroll withholding records and prepare the year-end payroll tax forms. I will prepare W-2, W-3, 1099, 1096, as required.

I will also work with auditors or reviewers at the end of the fiscal year and assist with preparation of audited or reviewed financials statements and the annual Non for profit tax return form 990.

The objective of my engagement of the financial statements is to prepare financial statements in accordance with accounting principles generally accepted in the United State of America based on information provided by you. I will conduct my engagement in accordance with Statements on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

I am not required to, and will not, verify the accuracy or completeness of the information you will provide to me for the engagement or otherwise gather evidence for the purpose of expressing an opinion or conclusion. Accordingly, I will not express an opinion or conclusion, or provide any assurance on the financial statements.

My engagement cannot be relied upon to identify or disclose any financial misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

Mammoth Lakes Foundation responsibilities

The engagement to be performed is conducted on the basis that management acknowledges and understands that my role is the preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America. Management has the following overall responsibilities that are fundamental to our undertaking the preparation of your financial statements in accordance with SSARS:

- a) The selection of the financial reporting framework to be applied in the preparation of the financial statements
- b) The design, implementation and maintenance of internal control relevant to the preparation and for presentation of the financial statements that are free from material misstatement, whether due to fraud or error
- c) The prevention and detection of fraud
- d) To ensure that the entity complies with the laws and regulations applicable to its activities
- e) The accuracy and completeness of the records, documents, explanation, and other information, including significant judgments, you provide to me for the engagement to prepare financial statements
- f) To provide me with:

Documentation, and other related information that is relevant to the preparation and presentation of the financial statements,

Additional information that may be requested for the purpose of the preparation of the financial statements, and

Unrestricted access to persons within MLF to whom I determine necessary to communicate

The financial statements will not be accompanied by a report. However, you agree that the financial statements will clearly indicate that no assurance is provided on them.

The financial statements will not include a statement of cash flows and substantially all disclosure required by accounting principles generally accepted in the United States of America. You agree that the financial statements will clearly indicate that the statement of cash flows and substantially all required disclosures are omitted.

Client will provide the following documents on a timely manner:

- Invoices approved by Executive Director
- Time cards
- Deposit worksheets from Donor Perfect
- Inventory control worksheets

On a periodic basis, as needed, I will meet with you to discuss your accounting records and the management implications of your financial statements. These meetings are important to your financial well-being and should be held at least annually.

My engagement cannot be relied upon to disclose errors, fraud, or illegal acts that may exist. However, I will inform the appropriate level of management of any errors, and of any evidence or information that comes to my attention during the performance of our compilation procedures that fraud may have occurred. In addition, we will report to you any evidence or information that comes to my attention during the performance of my compilation procedures regarding illegal acts that may have occurred, unless they are clearly inconsequential.

I, in my sole professional judgment, reserve the right to refuse to do any procedure or take any action that could be construed as making management decisions or performing management functions, including determining account coding and approving journal entries.

I will advise you, with regard to positions taken in the preparation of services, but you must make all decisions with regard to those matters.

You agree that in connection with our performance of nonattest services, you will:

1. Make all management decisions and perform all management functions,
2. Designate an individual who possesses the skill, knowledge and experience, preferable with management, to oversee the services,
3. Evaluate the adequacy and results of the services,
4. Accept responsibility for the results of my services, and
5. Establish and maintain internal controls, including monitoring ongoing activities related to the services provided.

You may request that I perform additional services not contemplated by this engagement, such as full disclosure financial statements or preparation of tax forms. If this occurs, I will communicate with you regarding the scope and estimated cost of these additional services.

Fees and Billings

We estimate that our fees for the above services will be approximately \$2,708 per month. These fees are predicated on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered. If significant additional time is required, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. In addition, we will bill you for travel and other reimbursements such as out of pocket expenses. Our invoices for these services will be submitted to you quarterly as work progresses and are payable upon presentation.

Termination and Other Terms

I reserve the right to withdraw from this engagement without completing the work if you fail to comply with the terms of this engagement letter. If any portion of this agreement is deemed invalid or unenforceable, the finding shall not invalidate the remainder of the terms set forth in this engagement letter.

I appreciate the opportunity to be of service to Mammoth Lakes Foundation. Please sign and date the enclosed copy of this engagement letter and return it to us in the envelope provided to acknowledge your agreement with its terms.

Sincerely,



Amy G. Graham
Certified Public Accountant

APPROVED BY:

Rich Boccia, Executive Director
Mammoth Lakes Foundation

Date

**Mammoth Lakes Foundation
2018 – 2019 Calendar of Events**

Event / Program	Location	Date	Time
Capital Campaign Steering Committee	MLF Library	July 9	3:30pm
MLF Food & Wine Experience	Edison Theatre, The Village & Sierra Nevada Resort	July 12 - 14	5pm to 8pm
Much Ado About Shakespeare Summer Camp for Kids	Edison Theatre	July 16 - 27	Day Program
Much Ado Performance of A Midnight Summer's Dream	Edison Theatre	July 27	6pm
MLF / CCCC Welcome Back BBQ	South Gateway Apartments	August 16	5pm
Dave McCoy Birthday	Dave Scholars Campaign	August 24	All Day
Dave McCoy Golf Classic	Sierra Star Golf Course	August 26	8am
John Muir Presentation	Edison Theatre	August 31 – September 2	Evening & Matinee
Capital Campaign Steering Committee	MLF Library	September 10	1pm
Dreamscape	Edison Theatre	September 19 - 22	Multiple
MLF Executive Committee Meeting	MLF Library	September 25	4pm
Capital Campaign Advisory Board Reception	MLF Library	September 26	5:30pm
Dave's Scholars Brunch	MLF Library	September 28	10am
Hot Havana Nights Joint Fundraiser MLRT & MAC	Sierra Center Event Center	September 29	6pm
Capital Campaign Steering Committee	MLF Library	October 8	1pm
Theatre for Young Audiences Elementary Schools	Edison Theatre	October 8 - 15	Multiple
Dave's Scholars Brunch	MLF Library	October 26	10am
The Radio Show	Edison Theatre	October 30 & 31	7pm
Friends of the Foundation Dinner	The Brasserie	November 3	5:30pm
MLF Annual Appeal	Annual appeal	November 22	5pm
Giving Tuesday	We Love Mammoth Lakes Foundation	November 27	All Day
Dave's Scholars Brunch	MLF Library	November 30	10am
MLF End of the Year Annual Campaign	Annual appeal to the community	November 30	5pm
Capital Campaign Steering Committee	MLF Library	December 10	1pm
Poetry Out Loud	TBD	December 15	6pm
Neil Simon's Barefoot in the Park	Edison Theatre	December 20 – January 6	Multiple
Capital Campaign Steering Committee	MLF Library	January 14	1pm

A Co-Production with Sierra Classic Theatre of A Staged Reading of Three Tall Women	Edison Theatre	January 19 & 20	Multiple
Dave's Scholars Brunch	MLF Library	January 25	10am
MLF Executive Committee Meeting	MLF Library	January 29	4pm
Capital Campaign Advisory Board Reception	MLF Library	January 30	5:30pm
Capital Campaign Steering Committee	MLF Library	February 11	1pm
Suite Surrender	Edison Theatre	February 7 - 17	Multiple
Dave's Scholars Brunch	MLF Library	February 22	10am
Tahoe Film Festival	Edison Theatre	March 8 & 9	7pm
Capital Campaign Steering Committee	MLF Library	March 11	1pm
Capital Campaign Advisory Board Reception	MLF Library	March 27	5:30pm
Dave's Scholars Brunch	MLF Library	April 5	10am
Capital Campaign Steering Committee	MLF Library	April 8	1pm
MLF Executive Committee Meeting	MLF Library	April 30	4pm
Dave's Scholars Brunch	MLF Library	May 3	10am
Cerro Coso Graduation	Cerro Coso Bishop Campus	May 3	5pm
Capital Campaign Steering Committee	MLF Library	May 13	1pm
ML Film Festival	Multiple Venues	May 22 - 26	Multiple
Mammoth High School Awards Ceremony	Mammoth High School Multi-Purpose Room	June 7	8am
Capital Campaign Steering Committee	MLF Library	June 10	1pm
MLF Executive Committee Meeting	MLF Library	June 26	4pm

Dave's legacy to support higher education and cultural enrichment in the Eastern Sierra